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KOREAN AFFAIRS REPORT

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CONTENTS

PAGE

INTER-KOREAN AFFAIRS

'KCNA' Reports Interview With ROK Defector
(KCNA, 6 Jul 79)..... 1

'NODONG SINMUN' Scores Assault on Opposition Party Building in
ROK
(Pyongyang Domestic Service, 7 Jul 79)..... 4

4 July Editorial on Joint Statement
(KCNA, 6 Jul 79)..... 7

Briefs
Reinstatement of Teacher 9

SOUTH KOREA

POLITICS AND GOVERNMENT

Briefs
Opposition Newspaper 10
Economic Cooperation Committee 10

MILITARY AFFAIRS

U.S. Considering Use of Chinhae Port
(HAPTONG, 7 Jul 79)..... 11

ECONOMY

Expert Examines South Korean Financial Elite
(Ch'oe Nak-tong; SIN TONGA, Jun 79)..... 12

CONTENTS (Continued)	Page
Economic Plans Adjusted To Meet Oil Price Hike (HAPTONG, 11, 13 Jul 79).....	33
Economic Growth Rate Supplementary Budget	
Government Announces Price Hikes in Commodity Items on 10 July (HAPTONG, 10 Jul 79).....	35
Briefs	
Warning on Price Hikes	36
Hydroelectric Sources	36
FOREIGN RELATIONS	
Government Invites Iranian Business Officials To Come for Visit (HAPTONG, 7 Jul 79).....	37
Willingness To Host Asian Youth Football Championship Announced (HAPTONG, 16 Jul 79).....	38
Briefs	
New Malaysian Ambassador	39
Departing Taiwanese Ambassador	39
Saudi Minister's Visit	39
Embassy in Comoros	39
FOREIGN TRADE	
Government Plans To 'Rewrite' Contracts With U.S. Oil Firms (HAPTONG, 16 Jul 79).....	40
Firms Seek Overseas Development Projects (HAPTONG, 12 Jul 79).....	42
Briefs	
Six Month Trade Figures	43
Merchandise Exports	43
ROK-Japan Trade Balance	44
NORTH KOREA	
POLITICS AND GOVERNMENT	
Yi Chong-ok's Power Said Increasing, Kim's Role Weakening (KITA CHOSEN MONDAI, 30 Apr 79).....	45

	Page
CONTENTS (Continued)	
Amnesty International Reveals DPRK Treatment of Political Prisoners (THE KOREA TIMES, 29 Jun 79).....	59
MILITARY AFFAIRS	
Briefs	
Reaction To Vessey's Remark	61
ECONOMY	
'KCNA' Reports on Yongyon County Combined Farm (KCNA, 9 Jul 79).....	62
'KCNA' Reviews Power Industry Development (KCNA, 6 Jul 79).....	65
SOCIAL CONDITIONS	
'KOREA HERALD': Defector Reports on Living Condition in DPRK (Editorial; THE KOREA HERALD, 13 Jul 79).....	67
POPULATION, CULTURE AND SOCIETY	
'TRUD' Cites Soviet Reporter's Account on Visit to DPRK (R. Kolchanov; TRUD, 6 Jul 79).....	69
GEOGRAPHY	
'KCNA' Reports on Development of Pyongyang (KCNA, 7 Jul 79).....	73
KOREANS IN JAPAN	
'MINJOK SIBO' Denounces Fascist ROK (KCNA, 6 Jul 79).....	75
Korean Youth in Japan Meeting Supports Reunification (KCNA, 9 Jul 79).....	77
Chongjin Rally Hails Kim Il-song's Instructions (Pyongyang Domestic Service, 29 Jun 79).....	79
Briefs	
Chongnyon Visitors	80
Chongnyon Delegations	80

CONTENTS (Continued)	Page
FOREIGN RELATIONS	
Envoy to PRC Hosts Banquet To Mark Treaty Date (Pyongyang Domestic Service, 12 Jul 79).....	81
Moscow Meeting Marks Anti-U.S. Struggle Month (Pyongyang Domestic Service, 30 Jun 79).....	84
Kim Il-song Receives Solidarity Messages From Abroad (KCNA, 9 Jul 79).....	85
Visiting Grenada Government Delegation Hosts Banquet (KCNA, 7 Jul 79).....	87
Brie<i>fs</i>	
Bulgarian Foreign Ministry Delegation	89
Reception at PRC Embassy	89
Malagasy Ambassador	89
Grenadian Delegation	89
New Cuban Ambassador	89
Hungarian Envoy	90
Sudanese People's Assembly Delegation	90
DPRK Missions Abroad	90
PRC Agricultural Delegation	90
Portuguese CP Greetings	90
FOREIGN TRADE	
Japan Pays Export Insurance on DPRK Debts (HAPTONG, 11 Jul 79).....	91
INTERNATIONAL COMMENTARY	
'KCNA' Reviews Soviet Comment on Carter Visit (KCNA, 5 Jul 79).....	92
'KCNA' Notes "PRAVDA" Comment on Tokyo Summit (KCNA, 6 Jul 79).....	94
'TASS' Exposes Japan's Arms Buildup (KCNA, 6 Jul 79).....	95
'KCNA' Scores Japanese Police's Act Against Chongnyon (KCNA, 8 Jul 79).....	97
BIOGRAPHICS	
Journal Lists North Korea's Second-Level Cadres (KITA CHOSEN MONDAI, 30 Apr 79).....	98

INTER-KOREAN AFFAIRS

'KCNA' REPORTS INTERVIEW WITH ROK DEFECTOR

Pyongyang KCNA in English 1038 GMT 6 Jul 79 SK

[Text] Pyongyang July 6 (KCNA)--South Korean student Ko Sang-mun who came over to the northern half of the republic from the Netherlands was interviewed by home and foreign reporters here on July 5. He said he came over to the northern half of the republic because he, disillusioned by the corrupt South Korean society where the "rich are getting richer and the poor poorer," could not live there as an intellectual with national conscience and wanted to live a worthy life in a place where there are justice and patriotism.

According to his statement at the news conference, Ko Sang-mun, 32 years old, has his parents, wife and one year old daughter in Seoul, South Korea.

He graduated from the normal college of the Seoul University in 1971 and taught at a high school. Later, he finished the postgraduate course and served the puppet army, from September 1978, he studied at the postgraduate course of the Enschede International Technical School in the Netherlands.

In the Netherlands I read publications of various countries of the world and made free contacts with people there. In this course I deeply realised the greatness of the respected and beloved leader President Kim Il-song, the sun of our nation. I came to understand the chuche idea espoused by the world people and had a better knowledge of the reality of the northern half of the republic.

Around the end of last year I had an opportunity to read the speech of the great President Kim Il-song at the central celebration of the 30th anniversary of the founding of the Democratic People's Republic of Korea. My longing for the republic grew irrepressible at that time.

He went on: An "intelligence" official of the South Korean Embassy in the Netherlands "blacklisted" me and watched me every move. I realised that I would undoubtedly be cast into prison when I return to Seoul after finishing my study.

Such situation convinced me that there is only one way for me to follow, that is, to come over to the northern half of the republic.

I watched for a chance. Some time ago I had a few days leave around the "Easter" Day. I made up my mind to come over to the North during my leave. I dressed myself like a tourist and left Enschede and arrived in Oslo, Norway, via Denmark and Sweden. There I went to the DPRK Embassy. In this way I succeeded in realising my ardent desire to come over to the northern half of the republic.

Speaking of the situation of South Korean people living abroad, Ko Sang-mun said:

Agents of the "Central Intelligence Agency" secretly watch the movement of compatriots in all parts of the Netherlands and West Germany, shadow them and illegally take and interrogate them. Tormented by this, they are living in uneasiness, not knowing what will happen to them tomorrow.

He stressed: The authority of the respected and beloved leader President Kim Il-song, the great sun of our nation, is high among overseas compatriots desirous of democracy and national reunification and they draw an encouragement from the ever-rising prestige of the republic.

Speaking what he saw and felt in the northern half of the republic, he said: Wherever I went, I saw that people are regarded as the most precious being.

I saw a developed independent industry, a developed agriculture in the countryside where irrigation has been completed and farming is done by machines, and the construction of national culture winning fame throughout the world, and clearly realised that all this is the brilliant fruition of the popular policy of the respected and beloved leader who values people.

A government for the people and economy serving the people, chuché-oriented culture and history, education and genuine morals--all these are in the northern half. This is the faith I cherished deep in my mind while seeing the reality of the North,

At the news conference, Ko Sang-mun cited many instances proving the corruption of the ailing and rotten South Korean society.

He said:

Injustice of South Korean society can be seen in the lack of political independence and wanton violation of national dignity.

In South Korea national independence has been buried by the flunkeyist trend and human rights and the right to existence are trampled underfoot under the "Yusin" dictatorship.

The South Korean society contaminated by the American way of life and the Japanese fashion and way of life is in the depths of decadence where degeneration, demoralisation, corruption and crime are prevalent.

In the South where money is everything, people deceive and are deceived kill and are killed for money. This is a means of existence.

At the news conference Ko Sang-mun appealed to his family members, relatives and friends and fellow countrymen in South Korea not to be taken in by the anti-communist propaganda of the rulers but courageously take the sacred road for the reunification of the country and the nation, joining hands with the brothers and sisters in the northern half of the republic.

CSO: 4120

INTER-KOREAN AFFAIRS

'NODONG SINMUN' SCORES ASSAULT ON OPPOSITION PARTY BUILDING IN ROK

Pyongyang Domestic Service in Korean 2248 GMT 7 Jul 79 SK

[NODONG SINMUN 8 July commentator's article: "Despicable Rowdyism"]

[Text] According to a news report, mobilizing more than 100 policemen clad in civilian clothes, the South Korean authorities have recently committed a violent act of raiding the building of the New Democratic Party, of forcibly seizing the printing office where the 1 July edition of the party organ was being printed, and confiscating several thousand copies of the party newspaper which were about to be distributed and of assaulting several functionaries of the party. This is a tyrannic fascist suppression of the opposition party and its press.

The regime of the Democratic Republican Party in South Korea has increasingly and blatantly suppressed the opposition party, as is already known. When the New Democratic Party in South Korea expressed its intent to have contact with us to realize the dialog for reunification, the upper circles of the Democratic Republican Party and the South Korean persons in authority expressed their open enmity against it and menaced and threatened it. Not satisfied with that, they raised a commotion by having hooligans rush to the building of the New Democratic Party, assault individuals, destroy property and rip up the party flag.

When the opposition party did not give in to this, the Democratic Republican Party and the South Korean persons in authority concocted a sheer lie that the president of the New Democratic Party admitted that the expression of his intent to have contact with us was a mistake and that he apologized for this act, thus futilely attempting to mislead public opinion. This time, mobilizing the police force, they have committed the violent act of attacking the building of the New Democratic Party.

That, not satisfied with mobilizing hooligans, the upper figures of the Democratic Republican Party and the persons in authority have driven the police force to suppression shows that their suppressive maneuvers against the opposition party have become more vicious and wicked.

Such a fascist attack against the opposition party by the South Korean persons in authority runs counter to common sense. This is a base act violating the fundamental principle of party politics and of taking political revenge against the opposition party.

In the history of all the political parties across the world, there is no rule that the political stance and view of the opposition party should always be identical with those of the ruling party and the persons in authority. Nevertheless, the Democratic Republican Party and the persons in authority in South Korea have suppressed and taken revenge against the opposition party for having had views different from theirs. Where else in the world has there been such an occurrence? This is a shameful act which will invite derision from the world's people. As history shows, the reactionary ruling bunch, in a nervous fit, commits violent acts indiscriminately whenever it encounters a difficult situation. The fascist violence committed this time by the South Korean ruling bunch is a fit caused by their serious impasse.

Today the ardent desire for the reunification of the fatherland has grown into an irreversible force among the people of all walks of life in South Korea and overseas. In conformity with this trend, voices demanding that the political parties and social organizations of the north and south should realize a broad contact and dialog to achieve the reunification of the country have become louder within the opposition party and democratic forces with each passing day.

Strongly denouncing the South Korean persons in authority for cruelly suppressing democracy and human rights, students and figures of all walks of life in South Korea are resolutely demanding that they should immediately stop this suppressive act and release detained political prisoners.

Welcoming broad dialog for reunification between the north and south, the progressive people of the world, who value justice and truth, are actively supporting the proposal of figures of the South Korean opposition party for having contacts with us.

Perplexed by the development of this situation at home and abroad, the South Korean persons in authority greatly dread the just proposal of the New Democratic Party and their resolute stand for this proposal. Thus, they have lost reason, and regarding the just proposal of the opposition party as a thorn in their flesh, they have repeatedly committed violent acts to strangle this proposal.

It is readily perceivable that the South Korean puppet clique's violent acts against the opposition party have been encouraged by Carter's recent visit to South Korea.

The assault on the New Democratic Party is a prelude to a new fascist suppression of the South Korean people and democratic forces demanding human rights and democracy. The fascist wild acts committed by the South Korean persons in authority again clearly show that they, as the evil incarnation of barbarous suppressors of human rights, have been engrossed only in dividing the people forever and in maintaining the fascist ruling system.

Resorting to the philosophy that the sword is almighty will only deepen the crisis of reactionary rule. During the final years of the Liberal Party, the ruling bunch, mobilizing the police force, committed violent acts of suppressing and assaulting political parties and social organizations. But it was eventually buried in oblivion in history.

The South Korean persons in authority should calm down, act discreetly and stop base maneuvers to obstruct the dialog of the political parties of the north . . . south for reunification. If they refuse to come to the dialog for reunification and if they continue to resort to maneuvers for division and fascism, they will be subjected to more severe condemnation and denunciation from the South Korean people and from the just and fair public opinion of the world.

CSO: 4108

INTER-KOREAN AFFAIRS

4 JULY EDITORIAL ON JOINT STATEMENT

Pyongyang KCNA in English 1503 GMT 6 Jul 79 SK

[Text] Beijing July 5 (KCNA)--The XINHUA News Agency on July 4 reported the editorial of NODONG SINMUN marking the 7th anniversary of the publication of the July 4 North-South joint statement.

It said:

Korean NODONG SINMUN on July 4 in its editorial dedicated to the 7th anniversary of the publication of the July 4 North-South joint statement urged the South Korean authorities to reaffirm the idea and principles of the July 4 joint statement, come out to the road of dialogue for reunification and immediately give up the policy of dependence on outside forces, the war policy and manoeuvres of anti-communism and fascitization as the nation demands.

The editorial continued:

The principles of independence, peaceful reunification and great national unity are a torch brightly indicating the road of the independent and peaceful reunification of our country. The question of reunification cannot be solved apart from these principles.

Exposing the crimes of the South Korean authorities in violating the principles of the North-South joint statement and breaking up the North-South dialogue after the publication of the joint statement, the editorial said:

The South Korean authorities are becoming more shameless in their attempts to create "two Koreas" and realize their wild ambition of long-term office with the backing of outside forces, while suppressing at the point of the bayonet the patriotic and democratic forces desirous of democracy and reunification and agitating confrontation with us.

The United States talks about peace in Korea and her reunification, but what it seeks in actuality is to create "two Koreas" and place South Korea under its permanent occupation.

Carter's South Korean trip was a war-peddling trip under the veil of "peace" and a split-seeking trip aimed at keeping our country divided into two permanently. It was entirely contradictory to the cause of peace in Korea and her reunification.

The editorial stressed:

The political parties, public organisations and people of all strata in the North and the South must not fail to have broad contacts and dialogue, if the independent and peaceful reunification of the country is to be achieved with the united strength of the nation.

We will continue to make every effort to peacefully solve the question of our country's reunification on the basis of the idea of great national unity through dialogue and negotiation between the North and the South without any alien interference.

CSO: 4120

INTER-KOREAN AFFAIRS

BRIEFS

REINSTATEMENT OF TEACHER--Seoul, July 9 (HAPTONG)--The Foreign Ministry said today there is a possibility of a Korean teacher, presumed to be abducted to North Korea, being reinstated as Norway was firm in his repatriation and has made this known to Pyongyang. In its' contact with the authorities there on the matter. [as received] It was in Oslo that Ko Sang-mun, 31, a teacher of geography of a girls high school here, was taken to North Korea while he was on a visit to the Scandinavian country in April. Hope of Ko's possibility of being reinstated has been based on Norway's negotiating stance on the incident. He was the victim of North Korea's encroachment upon Norway's sovereignty. Norway was almost convinced that the South Korean was forcibly brought to North Korea when it contacted North Korean Ambassador Kim Pong-rok who reportedly answered that he was not aware if Ko went to Pyongyang through Oslo. The North Korean envoy's failure to properly testify to the circumstances of the Seoulite's disappearance has led the Oslo government to seek his reinstatement, a Foreign Ministry official here said. In the wake of Ko's case, North Korea's image has suffered for the second time in Scandinavia since late 1976 when North Korean diplomats were found running an illegal traffic of narcotics in northern Europe, he said. North Korea could be dealt harsh retaliatory steps including suspension of relations with Oslo if it fails to comply with Norwegian request, he said. [Text] [Seoul HAPTONG in English 0316 GMT 9 Jul 79 SK]

CSO: 4120

S. KOREA/POLITICS AND GOVERNMENT

BRIEFS

OPPOSITION NEWSPAPER--Seoul July 13, KYODO--The official newspaper of the No 1 opposition New Democratic Party was put on sale in Seoul Friday with blank spaces in articles claimed by the government to violate the presidential emergency decree. The party took the action to protest against the government's seizure of 4,000 copies of the paper. The extra edition, dated July 1, was sold in the central part of the city with 50 offending passages appealing for the lifting of the decree and release of political prisoners left out. Party President Kim Yong-sam and about 40 party members of the legislature took to the streets to sell the copy to the public. The sale came after the party issued a protest statement charging that the seizure was aimed at open suppression of the party and tightening the gag on freedom of speech in South Korea. [Text] [Tokyo KYODO in English 0507 GMT 13 Jul 79 OW]

ECONOMIC COOPERATION COMMITTEE--Tokyo, July 10 (HAPTONG)--The ruling parties of Korea and Japan are expected to inaugurate a committee designed to promote economic cooperation between the two countries, it was learned today. The Korea-Japan Economic Cooperation Committee is likely to be set up in an inaugural session in Seoul as early as this fall. The proposed committee will be composed of 14 members each from the Korean Democratic Republican Party and its Japanese counterpart the Liberal Democratic Party. It would aim, among other things, at turning the competitive economic relations into a cooperative based on relative division of labor that would mutually benefit and support the Korea-Japan economic ministers meeting at the sidelines. The Seoul side will press for the rectification of the trade imbalance heavily favoring Japan as a priority project in the committee. [Text] [Seoul HAPTONG in English 0244 GMT 11 Jul 79 SK]

CSO: 4120

S. KOREA/MILITARY AFFAIRS

U.S. CONSIDERING USE OF CHINHAE PORT

Seoul HAPTONG in English 0812 GMT 7 Jul 79 SK

[Text] Seoul, July 7 (HAPTONG)--The United States reportedly has a plan to use Chinhae, a port on the southeast [coast], as a major naval base for its Seventh Fleet in a bid to counter the Soviet Union's growing naval presence in Asia and the Pacific region.

Observers here interpreted U.S. Secretary of Defense Harold Brown's recent inspection tour to Chinhae, 461 kilometers southeast of Seoul, as being related to the plan, it was reported today.

Brown, arriving here in advance of U.S. President Jimmy Carter's visit on June 29, made a personal inspection tour of the Chinhae Bay on a speedboat for about an hour, accompanied by chairman of the Joint Chiefs of Staff Gen. Kim Chong-hwan and chief of the naval operations Adm. Kim Chong-kon, the report said.

The report, quoting a source, said the port is strategically situated in a possible naval confrontation between America and the Soviet Union and is endowed with good conditions for turning it as a base for the Seventh Fleet.

It recalled the farewell news conference outgoing commander of the U.S. forces Korea Gen. John W. Vessey Jr. held on Thursday, in which he said it would be essential for the Korean navy and the Seventh U.S. Fleet to cooperate to cope with the increasing Russian naval strength in the Pacific.

Another source was also quoted as saying the United States was considering additionally assigning an aircraft carrier to the Seventh Fleet to send it on a cruising mission in the seas off the Korean Peninsula and Japan.

CSO: 4120

S. KOREA/ECONOMY

EXPERT EXAMINES SOUTH KOREAN FINANCIAL ELITE

Seoul SIN TONGA in Korean Jun 79 pp 138-148

[Article by Ch'oe Nak-tong: "Who Holds the Ear of the Banking Circles?—Frequent Sweeping Shake-Ups of Personnel in the Banking Circles Threw Open the Door for Government Officials' Large-Scale Launching Into the Banking Circles, Causing the Inside Brains To Leave the Circles and Thus Creating the Lack of Talents There"]

[Text] Amoeba in the Impregnable Fortress

The physiology of the banking street is often allegorically compared with that of an amoeba in an impregnable fortress. The banking street is not an ordinary fortress; it is an impregnable one. After the May 16 Revolution, military elite personnel launched into the fields of officialdom, business, etc., but only one of them found his way into the field of banking: Mr Chon Chun-ch'ol: he was once deputy director of the Banking Inspection Office and later became an auditor of the Cheil Unhaeng. Thus the banking street is governed by Monroeism. The business of banking requires professional technology: its operation and management technology is different from that of the other business or of the government office work. Therefore, the on-banking personnel are not able to make adaptations when they enter the banking circles. This peculiar characteristic of the banking business makes the banking personnel establish their own personnel characteristics.

The exclusive characteristics of banking personnel may be interpreted in many ways, depending on the ways of analyzing them. Some may regard the banking personnel as a group of logical and accurate persons, while others may regard them as men of calculative disposition who work like an abacus.

An essential characteristic of the banking personnel is the amoebic character. An amoeba absorbs its feed with its whole body. Just as an amoeba absorbs its feed, so the banking personnel absorb non-banking personnel whenever the latter enter the banking circles. The non-banking personnel refuse to enter a bank; and, even when they enter it under unavoidable circumstances, they suffer from a minority complex and are puzzled what to do. Thus the banking street is called an impregnable fortress or a sanctuary.

However, it is interesting to note that such an impregnable castle as this has become defenseless during the past few years; government officials have branched out into the impregnable castle.

The first of those government officials who launched into the banking street was Mr Min Yong-hun, who was formerly vice minister of finance. He was first appointed vice-president of the Bank of Korea; then he became deputy director of the Banking Inspection Office; and then he became president of the Cheil Unhaeng. The second of them was Mr Yi Mun-t'aek, who was formerly an official of the Economic Planning Board and later became an ROK minister in the United States. He was appointed an auditor of the Bank of Korea and is present president of the Kyonggi Unhaeng.

Among those government officials who found their way into the banking street, there were six bank presidents even before the large personnel shape-up staged by the government in connection with the Yusan Scandal. They were Nam Sang-chin, president of the Chungso Kiop Unhaeng, who was formerly vice-minister of finance; Chong Chae-ch'ol, managing director of the Sinyong Pojung Kigum or Credit Security Funds, who was formerly director of the Planning Office, Ministry of Finance; Pak Tong-hui, president of the Chut'aek Unhaeng, who was formerly deputy director of the Customs House Agency; Hong Sung-ku, president of the Cheil Unhaeng, who was formerly assistant to the vice minister in charge of financial affairs, Ministry of Finance; Song In-sang, president of the Export-Import Bank, who was formerly minister of finance; and Chong Ch'un-t'aek, president of the Foreign Exchange Bank, who was formerly director of the Foreign Exchange Bureau, Ministry of Finance.

Former government officials thus occupied the positions of presidents of almost half of the total of 13 banks in this country, which include seven special banks, such as the Bank of Korea, Industrial Bank, Foreign Exchange Bank, Chungso Kiop Unhaeng, Kungmin Unhaeng, Chut'aek Unhaeng, Export-Import Bank and Credit Security Funds; and five commercial banks, including the Chohung Unhaeng.

The large personnel shake-up launched on 27 April 1979 must have caused mixed feelings on the part of the banking personnel. Among those bank presidents involved in the shake-up, six were from government officialdom.

As for the presidents of the five commercial banks, Kum Yong-un, president of the Kungmin Unhaeng, became president of the Chohung Unhaeng; Kong Tok-chong, executive director of the Industrial Bank, became president of the same bank; Ha Yong-ki, vice-president of the Bank of Korea, became president of the Cheil Unhaeng; Chong Chae-ch'ol, managing director of the Credit Security Funds, became president of the Hanil Unhaeng; and Nam Sang-chin, president of the Chungso Kiop Unhaeng, became president of the Soul Sin-t'ak Unhaeng. Among these appointees, Nam Sang-chin and Chong Chae-ch'ol are from government officialdom.

Newly appointed presidents of the special banks were as follows: Pak Tong-hui, president of the Chut'aek Unhaeng, became president of the Chungso Kiop Unhaeng; Chong Chin-uk, executive director of the Kungmin Unhaeng, became president of the Kungmin Unhaeng; Yang Yun-se, ROK minister in the United States, became president of the Export-Import Bank; Chang Chae-sik, deputy director of the National Tax Administration Agency, became president of the Chut'aek Unhaeng; and Song Pyong-sun, deputy director of the Government Monopoly Agency, became managing director of the Credit Security Funds. The appointees from government officialdom were four in number: Pak Tong-hui, president of the Chungso Kiop Unhaeng; Yang Yun-se, president of Export-Import Bank; Chang Chae-sik, deputy director of the National Tax Administration Agency, and Song Pyong-sun, deputy director of the Government Monopoly Agency.

Excluded from the shake-up were the presidents of the Bank of Korea, Industrial Bank and Foreign Exchange Bank: they were Sin Chung-hyon, president of the Bank of Korea, who is originally from the Bank of Korea; Kim Chung-song, president of the Industrial Bank, who came from the Taegu Unhaeng; Chong Ch'un-t'aek, president of the Foreign Exchange Bank, who is originally from government officialdom.

In the shake-up, Song In-sang, president of the Export-Import Bank, who came from government officialdom, withdrew, while Chang Chae-sik, Song Pyong-sun, and Yang Yun-se-- all from government officialdom--were appointed anew. Thus the total number of the government-officialdom-origin presidents reached over seven in the total of 13 banks. There were six government-officialdom-origin presidents before the shake-up--which is less than half of the total number of bank presidents; but, after the shake-up, the total number of government-officialdom-origin presidents increased to seven. It may be correct to say that the summit of the banking street, which the government officials themselves called an impregnable castle, has now been occupied by the government officials. It seems that the banking street of the amoebic character has now been absorbed by a larger amoeba called government officialdom. We may also call this an adverse tide of the personnel change.

Best Brains Originally From the Bank of Korea

Some years ago the Bank of Korea and the Industrial Bank were the treasure-houses which had turned out high-calibre economic ministers of the government. These two banks played a "think tank" role in addition to that of a bank. Those talents produced by these banks flowed into government officialdom.

The Bank of Korea and the Industrial Bank turned out 18 government ministers. Mr Ku Yong-so, who was president of the Bank of Korea, became president of the Sokt'an Kongsa and then filled the post of minister of commerce and industry. Mr Kim Yu-t'aek was ROK ambassador to Japan, held the post of minister of finance in 1961, and filled the post of minister of the Economic Planning Board in 1963. Mr Chon Ye-yong, the fifth president of the Bank of Korea, held the post of minister of rehabilitation in 1960.

became minister of construction in 1966, and even filled the post of acting chairman of the Democratic Republican Party once. Mr Yu Ch'ang-sun, the sixth president [of the Bank of Korea], was selected for the post of minister of the Economic Planning Board. Mr Yi Chong-hwan, the eighth president [of the Bank of Korea], filled the post of minister of finance in 1964.

Mr Chang Ki-yong, who held the posts of vice-president of the Bank of Korea and minister of the Economic Planning Board, is a talent who built the foundation for today's economic growth. Mr Ch'on Pyong-kyu, who formerly held a position in the Bank of Korea, was elected to the post of minister of finance. Mr Song Chong-pom, who formerly held a post in the Bank of Korea, also held the post of minister of finance. Among the current economic ministers of the government, Chang Ye-chun, minister of capital mobilization, once held a post in the Bank of Korea. Mr Kim Chong-yom, who consecutively held the posts of minister of commerce and industry, minister of finance and presidential secretary and is now holding the post of ROK ambassador to Japan, also once held a post in the Bank of Korea.

In addition to these, the following persons also once held posts in the Bank of Korea: Kim Song-hwan, National Assemblyman of the Yujonghoe; Min Pyong-to, president of the Kyongch'un Tourist Company; Kim Chin-hyong, president of the Han'guk Kaebal Kumyung Hoesa; Pae U-i-hwan, director of the Overseas Economic Research Center; Pak Sung-pok, former director of the Office of Administrative Control, Office of the Prime Minister; Yi Sang-tok, president of the Seoul Investment Company; Pak Suk-hui, former member of the National Assembly Committee on Banking and Monetary Affairs; Hong Sung-hui, former president of the Foreign Exchange Bank; and Yi Ch'ol-sung, president of the Taehan T'usin Chusik Hoesa. Among the present-day government officials, Mr Yi Ung-su of the Economic Planning Board and Mr Yi Kyong-sik, vice-minister of posts and telecommunications, also held posts in the Bank of Korea.

Quarters Called Survey Department of Bank of Korea

As for the personnel of Industrial Bank origin, first of all we may cite Paek Tu-chin, current speaker of the National Assembly. He is the very person who commanded "the Paek Finances" at the time of the Liberal Party administration. Mr Kim Yong-ch'an, who held the post of minister of commerce and industry in 1960; Mr Song In-sang, who held the post of minister of finance in 1959; Mr Pak Tong-kyu, who held the post of minister of finance in 1963; Mr T'ae Wan-son, who held the posts of economic ministers consecutively and is currently holding the post of chairman of the Yujonghoe; and Mr Hong Sung-hui, who held the post of minister of finance--all these are the talents turned out by the Industrial Bank. Those who were presidents of this bank include Sim Won-t'aek, Yun Sung-tu and Chong U-ch'ang.

Those Bank-of-Korea-origin personages who became bank presidents include Kim Pong-un, former president of the Foreign Exchange Bank; Pae Su-kon,

former president of the Industrial Bank; and Hong Yun-sop, former president of the Soul Sint'ak Unhaeng.

The reasons for the production of such talents by the two banks are: that the two banks recruited gifted persons in principle; and that a special organ called the Survey Department was installed in each of those two banks.

Under the Japanese imperialists' colonial rule, the best brains selected from new graduates were generally recruited into these two banks; and it is said that the Siksan Unhaeng, predecessor of the Sanop Unhaeng or Industrial Bank, recruited more of these talents than the Choson Unhaeng, the predecessor of the Han'guk Unhaeng or Bank of Korea.

The Survey Department of each of these two banks is charged with the task of compiling and analyzing various statistics needed to map economic policies. It analyzes and evaluates current economic conditions; it singles out problems and seeks to solve them. During the period from the time of the inauguration of the ROK Government through the administrations of the Chayudang or Liberal Party, of the Minjudang or Democratic Party, and of the Konghwadang or Democratic Republican Party (at its initial stage), the society of government officialdom was lacking such a survey capability. Furthermore, even those talents who passed the highest degree civil examinations were not capable of catching up with the economic ideas of those who worked in the Survey Department of these two banks, in which vast general statistics were analyzed and evaluated.

Thus government officialdom society suffered from the lack of policy-mapping institutions; and consequently there emerged the practice of making the Survey Department of these two banks, which were regarded as "think tanks," provide advice and suggestions as requested by the policy-making authorities.

At that time the ideas and data for mapping major economic policies of the government were provided mainly by the Survey Department of the Bank of Korea. How to solve problems was also suggested by the department. Such a practice as this facilitated the Bank of Korea personnel's launching into government officialdom.

Those men of the Bank of Korea who worked for the government were sent there in the form of dispatches. They were paid by the Bank of Korea while working in the government offices, because the pay rate of the bank was higher than that of the government. Elite personnel of the bank were sent; but the leading role in regulating the conversion rates and money rates was played by the bank till a few years ago. It was an openly admitted fact that the Bank of Korea mapped practically all economic policies of the government in the early days of the government.

However, as time went on, government officials began to express their dissatisfaction with such abnormal practices as these. Government officials were sent overseas for training and continuing education; and the quality

of the government officials was improved comparatively; thus, in some quarters, urgent desires for instituting the posture of establishing economic policies independently began to emerge. The government officials themselves felt shame about their being incapable of holding hegemony in mapping their policies; in fact it is a shame. From that time on, the bank personnel became those acting behind the scene. Comparing this allegorically to the situation of the saying that bears do the tricks and the Chinese get the money, may we say that the bank personnel are like the bears and the government officials are like the Chinese?

In effecting the recent changes in the government policies, the Survey Department of the Bank of Korea played a major role.

The government announced a series of comprehensive stabilization measures with some flexibility that price stabilization may enable the government to defer investments in the field of heavy chemical industry, to curtail or adjust the rural house-roof improvement program, and to cut or adjust to a certain extent the export target figures in order to meet the demands in the domestic arena. This shift in policies became a firm possibility only after those highly placed persons whose hearts were set on the export drives and the rural house-roof improvement program were persuaded.

There are a number of organizations capable of submitting data for policy decision makings to persuade the highly placed persons: they are the Office of the First Senior Presidential Secretary in Charge of Economic Affairs; the Han'guk Kaebal Yon'guwon or Korean Development Research Institute; members of the Economy and Science Counsel Committee [of the National Assembly]; and the Bank of Korea. These are the organizations which play the role of "think tanks" in changing economic policies.

However, among the personnel of these organizations, those who actually provided the data which had strong enough persuasiveness in changing the determined hearts of the highly placed persons were said to have been those elite of the Survey Department of the Bank of Korea. The function of the department is still valid in this line, we may say.

Launching of Government-Officialdom-Origin Personnel Into Banking Circles

Nevertheless, the channel through which banking personnel find their way into government officialdom has been blocked for the past few years. On the other hand, there has been a conspicuous tendency for government officials to launch onto the summits of banks. Instead of the personnel flow from banks to government officialdom, including the posts of cabinet ministers, an adverse tide of personnel flow in which government officials launch into banks has been witnessed. The shake-up of banking personnel staged in the wake of the Yusan Incident points to this clearly.

Due to the branching out of government officials, the total number of bank presidents who are originally from the Bank of Korea, the Industrial Bank and commercial banks has decreased as a matter of course. In particular,

the Bank-of-Korea-origin personnel, who always kept two or more bank president posts, are now holding only one such post. Among the appointees in the recent shake-up, Ha Yong-ki, president of the Cheil Unhaeng, is the only bank president of the Bank-of-Korea-origin personnel.

The Industrial-Bank-origin personnel, who usually kept one bank president post, are now holding none of the president posts, after President Sim Won-t'aek resigned. As for the commercial-bank-origin, Kong Tok-chong, president of the Sangop Unhaeng, is the only person of commercial bank origin who is holding the post of bank president. The domination of the commercial banks by the commercial-bank-origin personnel was first achieved by Kim Kyo-ch'ol, who is the father of Kim Chong-yom, ROK ambassador to Japan, and who became president of the Chohung Unhaeng. Then came "a construction period" in which the commercial-bank-origin personnel turned out some high caliber bank presidents, such as Yi Po-hyong, Chon Sin-yong, and Kim Chin-hung. Following that period is a period in which Ha Chin-su and Pak No-song became presidents. It now seems that the domination is over.

The personnel of the origin of special banks—other than the Bank of Korea and the Industrial Bank—are represented by Mr Kim Yong-un, president of the Chohung Unhaeng, and Chong Chin-uk, executive director of the Kungmin Unhaeng, who got promoted to president to succeed President Kim Yong-un. However, Mr Chong is originally from the Cheil Unhaeng; so Mr Kim Yong-un is the only person of purely special bank origin.

It is crystal clear that the government officials' launching into the banking circles will bring about the further acceleration of bureaucratization of the banking business.

Actual circumstances require the internationalization and streamlining of the banking business to cope with the economic growth; and, for the internationalization and streamlining, it is indispensable that the banking business be autonomized. The government emphasized these points at every opportunity available. In fact, in some quarters of the government, measures for the autonomization of the banking business and for the placing of commercial banks under private management are being mapped out.

However, it is ironical that the personnel shake-up in the banking circles runs counter to those principles that are governing the policy making of the government. Such an irony as this points to the dilemma with which the government is faced—the dilemma in which the government has had no other way out except turning the banking circles into its personnel outlet.

Over the last year end, the Ministry of Finance filled the posts of directors of the National Tax Administration Agency and the Customs House Agency with outsider personnel. If these two posts had been filled with the personnel of the Ministry of Finance and Ministry of Home Affairs, there must have been the chain reaction promotions there. However, it did not happen, fortunately or unfortunately.

In the Ministry of Finance, the officials are complaining of their slow promotion—slower than in the Ministry of the Economic Planning Board and the Ministry of Commerce and Industry. The only way of clearing away this complaint was to send some of the officials of the headquarters of the ministry and the ministry's agencies to banks. To give it a hard name, those officials sent to banks in the recent shake-up are scapegoats.

Bank of Korea Personnel of Survey Department Origin

Now let us turn our eyes on the side of the Bank of Korea.

The Bank of Korea has now lost its independent character to the extent that they say the Bank of Korea is nothing but the Great South Gate Branch of the Ministry of Finance. Nevertheless, its authority as a central bank is still high.

It is customary with the Bank of Korea that the Survey Department origin personnel usually reign in the bank. Within the Bank of Korea, there were once some complaints, mainly held by the staff of the Office of Inspectors, about the personnel changes conducted with emphasis on the Survey Department origin personnel; and the high school graduate staff of the bank staged some protests. However, it is generally an institution there that the Survey Department origin personnel get promotion faster and more important posts. This is due to the fact that the survey function is regarded as important and consequently the best brains are placed in the Survey Department.

When Kim Chong-yom, Sin Pyong-hyon, Pae Su-kon, Ha Yong-ki and Yi Hon-sung, present managing director of the Chohung Unhaeng, Chu Un-sik, present member of the Board of Directors of the Chohung Unhaeng, Chong Yong-mo, present member of the Board of Directors of the Bank of Korea were manning the Survey Department, the department staff was of such high caliber that the economic policies of the Korean Government were said to have derived from the department. They did not deny this proposition; and they were rather proud of it. Such traditions of the department were carried on also by Ha Yong-ki, president of the Cheil Unhaeng, who was working in the department; and thus the so-called "Ha Yong-ki Division" was formed spontaneously.

Among the present officers of the Bank of Korea, those who are not of Survey Department origin are only two: Pak Chong-so, auditor, who came from the Foreign Exchange Bank (he had worked for the Bank of Korea before being transferred to the Foreign Exchange Bank) and Ch'u In-sok, member of the Board of Directors. Yi Chong-yol, vice-president, is a talent who held positions in the Survey Department, Loan Department and Foreign Exchange Department consecutively. Chong Yong-mo, Chu Un-sik, Im Chae-su and An Sang-kuk are talents brought up in the Survey Department. Cho Ch'on-sik, who became director of the Banking Inspection Office after being a member of the Board of Directors of the Bank of Korea, was once a core member of the Survey Department.

The Banking Inspection Office changed its government-officialdom-oriented structure into a Bank-of-Korea-Survey-Department type structure on the occasion when Pae Su-kon, who was president of the Sangop Unhaeng, became director of the office. When Cho Chin-hui was its director, Cho himself and Acting Deputy Directors Pak Chong-sok and Chang Kyu-chin were all of government officialdom origin; so the Banking Inspection Office gave the impression of being a version of the Ministry of Finance. However, at present, its director and deputy director are both of Survey Department origin; and Yi In-pok, acting deputy director, is a person who held major positions in the executive department of the Bank of Korea. So we may say that the majority of the staff of the Banking Inspection Office is now of Bank of Korea origin. Thus it is clear that the Bank of Korea personnel are centered around the Survey Department. Here is a point of issue.

Generally speaking, the personnel of Survey Department origin are well versed in theories and principles; but they are not familiar with the actual business practice. This is their shortcoming. Because of their weakness in practical business, they are regarded as too thickheaded to work with by those staff members sitting at the windows of the bank. Thus they are called honor students at the desk and plucked students at the window.

There was an episode when the National Assembly was still enjoying its authority of auditing the administration of the government.

When Mr Kim Song-kon, who went by the name of S.K., was chairman of the National Assembly Committee on Financial Affairs, the members of the government and opposition parties cooperated with each other relatively well in the committee. The episode happened when the baton of the chairmanship was handed over to National Assemblyman Kim Chae-sun. The committee called the Survey Department of the Bank of Korea to task for having compiled some inadequate data. Ha Chin-su, president of the Bank of Korea, and Mun Sang-ch'ol, president of the Chohung Unhaeng, underwent the humiliation of taking the witness stand in regard to the auditing affairs. They could have put their cards on the table after some quibbling; but they failed to do so. The Ministry of Finance and the commercial banks abhor such a physiology for the Bank of Korea, and go to the length of showing rejection symptoms.

In an effort to eliminate defects of this kind, the Bank of Korea is implementing a personnel rotation system--a thoroughgoing rotation--: it is expected that the distinction between the Survey Department origin personnel and the non-Survey-Department-origin personnel will disappear gradually, and that the "half-honor students" brought up in the Survey Department will also disappear.

It is a well-known fact that the "normalization" of the banking business, the Pak Yong-pok Incident, and reductions in salaries in the banking circles greatly damaged the circles' morale. Because of this, quite a number of the best brains in the banking circles left the circles; it is a very

unfortunate thing for the circles. Ch'oe Myong-kol, who became executive director of the Taeu Heavy Industry Company; Kim Hak-su, who became director of the Metal Headquarters of the Taeu Business Corporation; and Pak Sung, who became an associate professor of Chungang University--these are the personnel of high caliber who were even regarded as future candidates for president of the Bank of Korea. In addition to these personnel, a number of those staff of good reputation and those who got academic degrees in the United States quit the Bank of Korea.

Kim Yong-hwan, former minister of finance, explained in detail the inevitability of salary reduction. His array of reasons included the fact that the pay rate in the bank is too high compared with that elsewhere, that a deputy manager of a bank branch came under investigation by the high ranking quarters of the government because of his luxurious living, and that salary reduction is indispensable for straightening out the situation. The biggest reduction reached as much as 50 percent in certain positions; having salaries reduced to a half overnight is an unfortunate thing. To make the matter worse, some incidents degrading the morale of the banking personnel happened year after year. Those who held the highest honor among the students while they were in schools now feel that their honor is lost because they made a mistake in selecting work places.

Inspectors in the Inspection Office did not try to understand unavoidable expenditures, simply clinging to the auditing principles; they carried out auditing rather in the way of placing traps to find faults. Thus there came an incident in which a section head of the Bank of Korea died of a shock he had received during the auditing procedure. On the other hand, private enterprises enlarged their scales every year as the economy grew; their pay rates went up and their manpower demands increased accordingly. Consequently, those talents who had flowed into the government circles tended to flow into private enterprise.

To take a broad view of matters, the Foreign Exchange Bank is an offshoot of the Bank of Korea. It branched out from the Bank of Korea in 1963 to become a bank which handles foreign exchange affairs only. Among the officers of the Foreign Exchange Bank, the following persons may be called Bank of Korea origin personnel: Yi P'il-son, executive director; Kim Hong-sok, auditor; and Chong Hon-chun, Kim Se-ch'ang, Chong In-po, Pak In-su, So Won-sok, Kim Chong-sop, Chu In-ki, Chong In-kyu, Ha Kuk-hwan--members of the Board of Directors. Kim Chong-hyon, executive director, came from the Chut'aek Unhaeng; and Chong Tu-p'yo, member of the Board of Directors, came from the Ministry of Finance; he is a Seoul National University Law School classmate of Kim Yong-hwan, former minister of finance and a close friend of the latter; and he is a core personnel of the August Three Measures Program. Kim Chong-hyon was the very person whom Kim Yong-hwan sent to the Tokyo branch of the Foreign Exchange Bank for the purpose of straightening out the vicious arrears, when Kim Chong-hyon was working in the Chut'aek Unhaeng.

There was a rumor following this transfer of Kim Chong-hyon that Kim Yong-hwan obtained President Pak's approval before he asked Kim Chong-hyon to go to Tokyo.

Personnel of Foreign Exchange Bank and of the Industrial Bank

Officers of the Foreign Exchange Bank are classified by the schools they graduated from as follows: those who graduated from the School of Humanities and Sciences of Seoul National University include: President Chong; Kim Hong-sok, auditor; Chon Tu-p'yo, member of the Board of Directors; Chong In-po, member of the Board of Directors; those who graduated from the Business School of Seoul National University include: Yi P'il-son, executive director; Hong Song-mok, member of the Board of Directors; Chu In-ki, member of the Board of Directors; and those who graduated from the Law School of Seoul National University include: Executive Director Kim; and Chong In-kyu, member of the Board of Directors.

The schools from which members of the Board of Directors Chong Hon-chun, Kim Se-ch'ang, Pak In-su, Kim Chong-sop and So Won-sok graduated are respectively: the Wonsan Commercial High School; Meiji University in Japan; Yonsei University; Chonju High School; and School of Public Administration, Seoul National University.

The classification by the areas from which the officers came is as follows: Seoul: Chon Tu-p'yo, So Won-sok, Chu In-ki--members of the Board of Directors; Kyonggi Province: Executive Director Yi; South Kyongsang Province: Executive Director Kim and Kim Se-ch'ang, member of the Board of Directors; South Ch'ungch'ong Province: Auditor Kim; South Hamgyong Province: Chong Hon-chun, member of the Board of Directors; Hwanghae Province: Chong In-po, Pak In-su, Chong In-kyu--members of the Board of Directors; and North Cholla Province: Kim Chong-sop, member of the Board of Directors. Among these officers, three came from Hwanghae Province and three from Seoul; these two places are the ones from which most officers came.

Among the department heads of the headquarters of the bank, Hong Se-p'yo, head of the International Banking Department, came from Kangwon Province and graduated from Seoul National University. Sin Tong-ch'ol, head of the Personnel Department, graduated from Yonsei University.

As for the overseas branch managers, Yi Chu-kyom, Hong Kong branch manager, graduated from the Business School, Seoul National University (and came from Seoul); Pak Ch'ae-hun, Frankfurt branch manager, graduated from the School of Humanities and Sciences, Seoul National University (and came from North Kyongsang Province); Yi Song-hui, London branch manager, graduated from the Business School, Seoul National University (and came from Seoul); Chon Sung-chae, New York branch manager, graduated from the Business School, Seoul National University (and came from North Cholla Province); Kim Song-chun, Los Angeles branch manager, graduated from Yonsei University (and came from Seoul); Im Chang-ho, Osaka branch manager, graduated from the Business

School, Seoul National University (and came from Seoul); Kim Chae-hak, Tokyo branch manager, graduated from a high school (and came from North Ch'ungch'ong Province); Kim Won-ton, Singapore branch manager, graduated from Aoyama University in Japan (and came from Seoul); Yi Nam-chik, Paris branch manager, graduated from the School of Humanities and Sciences, Seoul National University; Yi Kwang-su, Berlin branch manager, graduated from the Business School, Seoul National University (and came from North Cholla Province). Most of the overseas branch managers graduated from the Business School, Seoul National University and came from the Seoul area.

In the Industrial Bank, Kim Chun-song, president, came from North Kyongsang Province. Pak Ung-so, vice president, Pak Chun, member of the Board of Directors, and Yi Pom-sok, member of the Board of Directors, came from North Ch'ungch'ong Province. Pak Tok-hyong, member of the Board of Directors, came from North Hamgyong Province. Chang Yong-sul, member of the Board of Directors, came from South Hamgyong Province. Kim Chong-sang, member of the Board of Directors, came from Pusan. Kim Yong-kon, member of the Board of Directors, and Hong Un-ki, member of the Board of Directors, are from Seoul. Om Kyu-hong, member of the Board of Directors, came from Kyonggi Province.

The classification by the schools from which these officers graduated is as follows: President Kim and Hong Un-ki, member of the Board of Directors, are from the Business School, Seoul National University. Vice President Pak is from the School of Humanities and Sciences, Seoul National University. Yi Pom-sok, member of the Board of Directors, is from Yonsei University. Kim Chong-sang, member of the Board of Directors, is from the Pusan Fisheries College and School of Business Administration of Koryo University. Pak Chun, member of the Board of Directors, is from Taedong Commercial High School and the School of Business Administration of Yonsei University. Chang Yang-sul, member of the Board of Directors, is from Chungang University. Om Kyu-hong, member of the Board of Directors, is from Kyonggi University.

Among the department heads of the headquarters of the bank, Kim Pyong-t'aek, head of the Officers Department Office, is from the School of Humanities and Sciences, Seoul National University (North Kyongsang Province). Maeng Chin-song, head of the Planning Department, is from the Business School, Seoul National University (South Hamgyong Province). Cho Yong-sop, head of the Business Department, and Min Pyong-yun, head of the Survey Department, are from the Business School, Seoul National University. Yi Chae-sung, head of the Foreign Capitals Department, is from the graduate school of the University of Pennsylvania. Song Tok-nam, head of the Investment Department, is from Yonsei University (South P'yongan Province). Yun Sung-hyon, head of the First Department of Industrial Banking, is from Kanggyong Commercial High School (North Cholla Province). Pak Uk-kyu, head of the Second Department of Industrial Banking, is from the Business School, Seoul National University. Son Chong-hyon, head of the Department of Foreign Capitals Security, is from the Law School of Seoul National University. O Chong-hyon, head of the Department of Loans, is from Yonsei University (South Ch'ungch'ong Province). Chang Ik-hwan,

head of the Department of Foreign Businesses, is from the graduate school of Seoul National University. Kim Ki-ton, head of the Department of Investment Control, is from Taegu Agricultural College (North Kyongsang Province). Yi Pong-won, director of the New York Office, is from the Law School of Seoul National University (North Cholla Province). Pak Hyong-su, director of the London Office, is from the Law School of Seoul National University. Sim Kwang-su, director of the Singapore Office, is from the Law School of Seoul National University (Kyonggi Province). Kim Wan-jong, director of the Hong Kong Office, is from Yonsei University (North P'yongan Province).

The number of officers from the Business School of Seoul National University and Yonsei University is relatively high. As for the area classification, the areas of Seoul, South Ch'ungch'ong Province, North Cholla Province and South Cholla Province are high in number.

The agony of the Industrial Bank is similar to that of the Bank of Korea. The development banking demands are increasing rapidly, but the financial resources for investment is getting short. Thus this bank is not able to launch the financial support activities so much as in the olden days. Furthermore, the bank is no longer in a position to send outside those personnel it has brought up. The Industrial Bank has produced Kim Won-ki, minister of finance, Chong Ch'un-t'aek, president of the Foreign Exchange Bank and Sim Won-t'aek, president of Chohung Unhaeng. Thus the Industrial Bank may still be regarded as a treasure house of talents.

Like the Bank of Korea, the Industrial Bank once lost the major staff members of its Survey Department to the private businesses, and thus faced hardships in its operation. However, this bank instituted a business activity of acquiring foreign capitals and turning them into domestic capitals even before other banks tried to do that. This may be attributed to the talents embraced by this bank.

Personnel of Commercial Banks

Among five commercial banks, all except the Sangop Unhaeng were involved in the Yulsan Incident. Hong Yun-sop, president of Soul Sint'ak Unhaeng, Hong Sung-kyu, president of Cheil Unhaeng, Kim Chong-ho, president of Hanil Unhaeng, quit their posts abruptly one day; and Yi Tong-su, president of Chohung Unhaeng, quit his job even before these presidents did.

They say that the post of president of Chohung Unhaeng is a delicate one. Among the successive presidents--Pak Tae-kun, Mun Sang-ch'ol, Ko Tae-chin, and Yi Tong-su--only Ko Tae-chin completed his whole designated term of office. But even Ko failed to complete his second term and quit on the way. Those presidents who served before President Yi Tong-su had to stopover on the grounds either that they should be held responsible for the mal-administration of the Taesong Lumber Company, or that they failed to straighten up the situation surrounding the company. President Yi Tong-su had to quit because of his involvement in arranging the retirement pay for a branch manager who had resigned due to the Non Enterprise matter. It

remains to be seen how Kim Yong-un, newly appointed president, will go along with this delicate post of Chohung Unhaeng president.

As for the officers of Chohung Unhaeng, Kim Kwan-ho, executive director, is from Suwon Agricultural High School (Kyonggi Province). Yi Hon-sung, managing director, is from the Business School, Seoul National University (North Kyongsang Province). Yi Kang-chae, managing director, is from the Business School, Seoul National University (South Ch'ungch'ong Province). Pak Kwang-hun, managing director, is from Chuo University in Japan (Seoul). Pak Kwang-chong, member of the Board of Directors, is from Yonsei University (Seoul). Cho Pyong-ki, member of the Board of Directors, is from Taedong Commercial High School (Seoul). Yi To-kun is from the Business School, Seoul National University (North Kyongsang Province). Yi Chong-man, member of the Board of Directors, is from Kyonggi Commercial High School (Seoul). And So Pyong-p'il, auditor, is from Kungmin University (South Cholla Province).

Yi Hon-sung, managing director, and So Pyong-p'il, auditor, are the personnel of Bank of Korea origin. Yi Hon-sung worked in the Survey Department of the Bank of Korea and twice held the post of head of the Office of the Secretary of the President of the Bank of Korea; he rendered meritorious service in tiding over the foreign exchange crisis caused by the oil crunch; and because of that, Minister Kim Yong-hwan picked him out as a talent.

In Sangop Unhaeng, the only commercial bank that was not involved in the Yulsan Incident, Pae Su-kon, president, was picked to become director of the Banking Inspection Office; and Kong Tok-chong, executive director, was promoted to president. It was a very fortunate thing. As for the Yulsan Incident, Sangop Unhaeng says that it rejected Yulsan's proposal for mutual transactions, while the Yulsan side says that Yulsan rejected Sangop Unhaeng's proposal for mutual transactions. The truth about this will surface when time elapses. In any event, Sangop Unhaeng's personnel are of high caliber; Sangop Unhaeng, like Hanil Unhaeng, has a well-organized setup as a bank. Holding many talents, Sangop Unhaeng has produced Presidents Ko Tae-chin and Yi Tong-su during the past few years. However, it is rather strange that no Sangop Unhaeng origin personnel have ever held the post of president of Sangop Unhaeng during the past 30 years. President Kong has broken that spell; it is a promising thing for the bank.

It is rather odd that many of the officers of this bank graduated from commercial high schools. President Kong is from Pusan Commercial High School; Yu Sun-hyok, managing director, is from Wonsan Commercial High School (Hwanghae Province); Han Kyong-t'aek, managing director, is from Kyonggi Commercial High School (Seoul); Yi Tae-kyu, managing director, is from Masan Commercial High School (South Kyongsang Province); Pak Song-chun, managing director, is from Inch'on Commercial High School (Kyonggi Province); and Kim Tong-sik, member of the Board of Directors, is from Ch'ongju Commercial High School.

Only two officers graduated from universities: they are Mun Yang-chu, managing director (Koryo University; North Cholla Province) and Pak U-so, auditor (Koryo University; Seoul). The proposition that university graduates do better management is not applicable to Sangop Unhaeng.

Since Hong Sung-ku took the office of president of Cheil Unhaeng, Cheil Unhaeng has had good business showings. Min Yeag-hun, former president of Cheil Unhaeng, who is also of government officialdom origin, ran the commercial bank in the way of the state-run enterprise operation; but President Hong has run it on "the commercial basis."

The officers, headed by President Ha Yong-ki [sic], are Kim Yong-ch'an, executive director, who graduated from the Business School, Seoul National University (South Ch'ungch'ong Province); Kim Han-son, managing director (Mokpo Commercial High School; Cheju); Yi Kun-su, managing director (Keijo Higher Commercial School; South Kyongsang Province); Kang Ch'ang-mok, managing director (Chinju Agricultural High School; South Kyongsang Province); Kim Yong-kyu, managing director (School of Humanities and Sciences, Seoul National University; Seoul); Yi Kil-u, managing director (Business School, Seoul National University; South Kyongsang Province); Yi Sok-ku, member of the Board of Directors (Taedong Commercial High School; Seoul); Kang Chin-sik, member of the Board of Directors (Kyongbuk University; North Kyongsang Province) and Ku Yon-son, auditor (Kaesong Commercial High School; Seoul). Officers are characterized by the fact that many of them are from South Kyongsang Province.

It would be interesting to see how President Ha runs Cheil Unhaeng, in view of the fact that his origin is the Survey Department of the Bank of Korea, and he is a man of a bossy turn of mind. As for Hanil Unhaeng, they say that the tight setup of this bank established by Presidents Ha Chin-su and Yu Sung-tu has been loosened since President Kim Chong-ho took it over. The banking circles may be watching with interest whether President Chong Chae'ch'ol will be able to restore the old honorable setup.

Officers [of Hanil Unhaeng] are Kim Chong-kwon, executive manager (Yonsei University; Seoul); Pak Hong-so, managing director (Koryo University; South Ch'ungch'ong Province); Kim Yong-sul, managing director (Kimhae Agricultural High School; South Kyongsang Province); Kwak Pyong-sok, managing director (Law School, Seoul National University; Kyonggi Province); Yi Sok-chu, managing director (Business School, Seoul National University; Kyonggi Province); Sol Hong-yol, managing director (Yonsei University; North Kyongsang Province); Ch'oe Yong-ho, member of the Board of Directors (Business School, Seoul National University; Seoul); Sin Chong-u, member of the board of directors (Business School, Seoul National University; Seoul); Song Chae-ch'il, member of the Board of Directors (Yonsei University; South Ch'ungch'ong Province); and An Yong-mo, auditor (Haeju High School; Hwanghae Province). The number of officers who graduated from Yonsei University is high.

Kim Chong-kwon, executive director, is of the origin of the Department of Loans of the Bank of Korea. He is an authority in the theory governing currency. He is the person who carried out the operation of lowering the interest rates all by himself since the emergence of the high interest rate policy. He was picked for the post of executive director from his former post of auditor because of this talent.

Problems in a Bank Newly Established Through Merger

The bank at issue is Soul Sint'ak Unhaeng. As the Pak Yong-pok Incident took place in Soul Unhaeng and Chungso Kiop Unhaeng, so the Yulsan Incident occurred in Soul Sint'ak Unhaeng.

Yulsan originally had business affiliations with Cheil Unhaeng. But, when President Hong was transferred from Cheil Unhaeng to Soul Sint'ak Unhaeng as president of the latter, he took the affiliations with Yulsan with him. Therefore, Hong and his bank suffered together.

Soul Sint'ak Unhaeng is a bank established through the merger of Soul Unhaeng and Sint'ak Unhaeng. Soul Unhaeng is a bank which started as a local bank; its staff personnel came from various banks which offered their staff for manning Soul Unhaeng.

When Soul Unhaeng was running independently, criticisms were heard on ill harmony among men in the bank. Sint'ak Unhaeng is a bank established through the merger of trust departments of various banks.

Not only was harmony among men lacking, but also business itself was not run as it should have been because of some presidents who preferred politics to the bank management. Merging the two problem banks together, this bank has experienced instances of making problem solving more complicated rather than instances of solving problems.

Nam Sang-chin, president, is the person who doubled the capital of Chungso Kiop Unhaeng when he was its president. It is doubtful whether he can achieve harmony among men--personnel of complicated origins--and mobilize all the energy inherent in the bank.

Officers include Chang Myong-sop, executive director (Business School, Seoul National University; South Hamgyong Province); Ku Ki-hwan, managing director (Koryo University; South Ch'ungch'ong Province); Yi Chung-kong, managing director (Kyonggi High School; Seoul); Han Tong-sok, managing director (School of Humanities and Sciences, Seoul National University; South Ch'ungch'ong Province); Sin Ul-kyun, managing director (School of Humanities and Sciences, Seoul National University; South Ch'ungch'ong Province); Yi Sang-hun, member of the Board of Directors (Songgyun-gwan University; North Kyongsang Province); Chang Ha-rim, member of the Board of Directors (Tongguk University; Seoul); and Sin Yong-ch'ol, auditor (Kaesong Commercial School; Kyonggi Province).

Officers of State Policy Banks

The proposition that the best bank president position is that of president of Chungso Kiop Unhaeng or Kungmin Unhaeng is gaining popularity these days. The management of these two banks is said to be easier because they usually come under less pressure from the government and business enterprises.

Those who are engaged in the small and medium businesses are not capable of mobilizing political power. Therefore, it is clear that there are little favoritisms involved in the advancement of loans and little pressures from outside in Chungso Kiop Unhaeng. It is for this reason that Chungso Kiop Unhaeng has been stabilized since the Pak Tong-pok Incident.

Officers of this bank, headed by President Pak Tong-hui, include Pak Song-sang, executive director (Kungmin University; North Kyongsang Province); Ch'oe Hung-sik, member of the Board of Directors (Kukhak University; Kyonggi Province); Pak Suk-hui, member of the Board of Directors (Waseda University in Japan; Kyonggi Province); Pak Chang-so, member of the Board of Directors (Koryo University; South Ch'ungch'ong Province); Kim Chae-sop, member of the Board of Directors (Chugang University; North Kyongsang Province); Chu Il, member of the Board of Directors (Business School, Seoul National University; Seoul); and Chong Pyong-hwa, auditor.

Kungmin Unhaeng is manned by Chong Chin-uk, president; Yun Ch'ol-sun, executive director (Kunsan Commercial High School; North Cholla Province); Yu In-ho, member of the Board of Directors (Business School, Seoul National University; Seoul); Chang Yong-kun, member of the Board of Directors (Haein University; Kyonggi Province); and Kim Sang-ch'an, member of the Board of Directors (graduate school, Seoul National University and graduate school of the University of Minnesota). In particular, Kim Sang-ch'an is a first-rate bank person as far as academic backgrounds are concerned.

Officers of Chut'aek Unhaeng include Chang Chae-sik, president (Law School, Seoul National University; Kwangju); Ho Hum, executive director; and members of the Board of Directors Ch'ae Kyu-nam, Kim Sung-won, Yi Su-yong, Chong Yon-u and Ch'oe Yong-pong. President Chang Chae-sik is of government officialdom origin, a man of ambition, and is handling personnel around him smoothly; so people are expecting much from him.

As for the officers of the Export-Import Bank, many of them are of Foreign Exchange Bank origin; therefore the Export-Import Bank gives the impression that it is another version of the Foreign Exchange Bank. President Yang Yun-se, who returned home after a long stay in the United States as ROK minister there, is said to be able and competent for the post of the president of this bank. Kim Kon, auditor (School of Humanities and Sciences, Seoul National University; Pusan) is of Bank of Korea origin; otherwise, most of the officers are of Foreign Exchange Bank origin, and the business activities of this bank are similar to the Foreign Exchange

Bank. Officers include Yi T'ae-ho, executive director (Business School, Seoul National University; Kangwon Province); Won Yu-min, member of the Board of Directors (School of Humanities and Sciences, Seoul National University; Kyonggi Province); Chon Sok-tu (Yonsei University; Kangwon Province); Yi Hong-chun (Business School, Seoul National University; South P'yongan Province); and Ch'oe Chong-ak (Koryo University; North Kyongsang Province).

Officers of the Credit Security Funds include Song Pyong-sun, president (Maritime College; North Cholla Province); Chang Wi-sang, executive director (Tongguk University; North Kyongsang Province); Ch'oe Yong-t'ae (Pusan University; South Kyongsang Province); Kim Yun-chae (Business School, Seoul National University; South Ch'ungch'ong Province); Yi Ch'un-sik (Law School, Seoul National University; Seoul); Yi Ch'un-pok (Business School, Seoul National University; South Ch'ungch'ong Province); and So Kyong-sok, member of the Board of Directors (Hongik University; North Cholla Province).

The characterization of the groupings of the officers in the monetary organizations throughout the country may not be possible by any special criteria of personnel classification. Some banks hold more officers from Seoul, North Kyongsang Profince, South Kyongsang Province, or South Ch'ungch'ong Province than those from other areas; however, the classification by the geographical areas they are from is not strong enough to say that the banking personnel are grouped in conformity with the area origin criterion. Nevertheless, it seems that the banking personnel are grouped in conformity with the academic clique criterion. In particular, some banks are clearly dominated by the personnel of the origin of the Business School of Seoul National University, Yonsei University, Koryo University, Law School of Seoul National University, or School of Humanities and Sciences of Seoul National University.

Irregularities Caused by Factions

Groupings of personnel are easy and conspicuous in the amalgamated banks. Soul Sint'ak Unhaeng, Chungso Kiop Unhaeng, and Chut'aek Unhaeng are examples. In Soul Sint'ak Unhaeng, groupings of personnel are visible in terms of the Soul Unhaeng origin and the Sint'ak Unhaeng origin; and there are even conflicts between the groups once in a while.

Chungso Kiop Unhaeng, constituting the major members of the Agricultural Bank and other banks, still faces such problems as these. When Chong U-ch'ang was president and Yu Si-pom was executive director, the Honam region group centered around President Chong, who is from the Honam region, and the Yongnam region group centered around Executive Director Yu, who is from the Yongnam region, were once severely antagonistic to each other. This confrontation disappeared when President Pae Su-kon took over the bank, it is said.

The personnel policy of the bank president plays a major role in achieving harmony among the bank personnel. Some bank presidents make personnel appointments after checking the geographical areas from which applicants came, while others entirely ignore the area from which applicants came. The latter usually is helpful in achieving harmony among men, it is said. Chut'aek Unhaeng is one of those banks in which president and executive director are pitted against each other. A certain executive director asked embarrassing questions of his men when they approached him for an approval on certain business matters--questions, such as "On which side are you standing?"

In Cheil Unhaeng also, there was antagonism between the president and the executive director. Confrontation naturally brings about the formation of factions. Opposing factions try to find faults with each other, even going to the length of setting snares.

There cannot be any development where there is division within an organization. It goes without saying that the lack of harmony among personnel brings about bad business showings. Irregularities among the tellers usually occur when the harmony among men is lacking within a bank, such as when an individual often comes to advance unwarranted loans or to render unreasonable efforts to canvass saving deposits. The Pak Yong-pok Incident broke out in Chungso Kiop Unhaeng, in which the harmony among men was lacking, and spread to Soul Unhaeng in which there was no strong unity among the staff.

The Yulsan Incident first broke out in Soul Sint'ak Unhaeng, with which Yulsan had primary business affiliations. Kong Tok-chong, president of Sangop Unhaeng, which did not get involved in the incident, said as follows:

"There were some branch managers who wanted to bring Yulsan into business affiliations. The bank headquarters recognized these branch managers' desires and carefully examined the financial constitution of Yulsan. As a result of the study, they came to a conclusion that Yulsan is too dangerous to go into business affiliations with."

Taking this at face value, one may say that the practices in business affiliations of Sangop Unhaeng are the very model which every bank should follow.

There is an episode about what happened in the proceedings of the conference of bank presidents in which the matters concerning the proposed advancement of relief financing to Yulsan was on the agenda. President Hong Yun-sop, who was in an agony of worrying, emphasized that the relief financing amounting to 7 billion won is indispensable. President K who is now the president of a state policy bank came to the aid of President Hong, giving him indirect support. President Pae Su-kon was the only person who opposed the proposal categorically. Some people say that President Pae bounded back at the conference because he failed to establish business affiliations with Yulsan. Truth about this cannot be ascertained as things stand now.

One thing clear about this is that President Pae is not such a narrow-minded person as would swim against the tide by displaying personal emotions at a meeting in which important matters that would produce a powerful effect on the interests of the entire business enterprise circles as well as on the national economy are on the agenda.

When the Yusan Incident was still on the way to spreading further, Kim Chong-kwon, executive director of Hanil Unhaeng, said frankly: "I am in doubt as to the direction of bank management which the banking personnel should take." President Hong Yun-sop repeatedly announced to the investigating authority that he was the only person who should take responsibility for the Yusan Incident; he even went to the length of asking the authority not to take anyone else to task. A certain businessman who has business affiliations with Soul Sint'ak Unhaeng said: "I can swear upon my conscience that President Hong is innocent."

The question is why President Hong advanced relief financing to that sinking business enterprise. A resolution to the effect that the relief financing should be advanced was passed at a meeting of cabinet ministers in charge of economic affairs. The president must have felt that it was necessary to advance additional loans in order to draw even in the principals of the loans. The viewpoint of the investigating authority is that additional loans should not have been advanced in the face of the situation in which it was crystal clear that any more loans would just go down the drain; this is far away from the management theory. The results have just turned out bad; it is crystal clear that the money was not advanced deliberately despite anticipation that the result would turn out bad. Kim Chong-kwon, executive director, emphatically pointed out that there is some ambiguity about this. Charging with breach of trust simply on the basis of the results that had turned out bad would only make the posture of banking personnel negative.

In fact such a situation emerged following the Yusan Incident. Banks have started to ban the used-to-be-allowed practice of depositing another bank's check before the dishonored check closing time. The special several hour time allowance given for a dishonored check has been discontinued. A certain construction company tried to deposit 20 million won several hours after the closing time--which was allowed in the past--but the teller categorically rejected it; and, as a result, the company's check became dishonored. The bank contends that such a practice cannot be continued because such a practice, if exposed through the inspection by the Banking Inspection Office or by the Banking Supervision Office, would provide a basis for a "written explanation" or "warning"--disciplinary punishment.

Such a tragedy as this might have taken place due to the fact that there is no law of autonomizing the bank. If banks are turned over to private enterprises under the control of big financial combines, the problem of investment resources would arise. But, if the present system is allowed to continue without turning banks over to private business enterprises,

Incidents like the Yusan Incident might occur again. A situation like this may be called a kind of transitory period labor.

In the wake of the recent personnel changes, the system of the government control of banking has been strengthened. However, the government policy of making the banks to manage them on a commercial basis and of introducing a competition rhythm into the management of monetary organizations has fallen back. The effect of the recent personnel changes on the management of the banks will be shown in the annual business report that should be prepared in a year or so.

One thing we can be sure of in the contents of the annual business report is that the business management showings in terms of the commercial basis would not be good.

The personnel of Bank of Korea origin are playing important roles in some banks, keeping up with those government officialdom origin personnel. President Ha Yong-ki of Cheil Unhaeng, Executive Director Kim Chong-kwon of Hanil Unhaeng, Executive Director Pak Song-sang of Chungso Kiop Unhaeng, Managing Director Yi Hon-sung of Chohung Unhaeng represent them. They, except President Ha, are being evaluated in accordance with their performance. If things go well, three of them may rise to the bank president level. It remains to be seen how they are going to adapt themselves to the personnel groupings of government officialdom, commercial bank, and special bank origins.

In particular, as for commercial banks, only one of the 13 commercial banks--Sangop Unhaeng--has a president of commercial bank origin. It is a matter of concern and interest to see how this situation will fare in the future. The map of personnel groupings will change depending on whether these personnel hold fast to their determination to restore the golden age of the olden commercial banks or abandon themselves to despair.

One thing we have to pay attention to here is that those talented personnel brought up in the banking circles have withdrawn in the wake of frequent personnel shake-ups. The large-scale launching of government officials into the banking circles is closely related to the frequent personnel shake-ups in the banking circles. If there had been no storms in the banking circles and normal regeneration had continued there, there would not have been any shortage of talented personnel like the one being experienced today.

7989
CSO: 4108

S. KOREA/ECONOMY

ECONOMIC PLANS ADJUSTED TO MEET OIL PRICE HIKE

Economic Growth Rate

Seoul HAPTONG in English 0052 GMT 13 Jul 79 SK

[Text] Seoul, July 13 (HAPTONG)--Economic Planning Minister Sin Hyon-hwak said today that the government has revised this year's Economic Management Plan scaling down the year's planned economic growth rate to 8 percent from the original target of 9 percent.

The revision was made to cushion the impacts the recent sweeping price hikes for oil and oil-related products would have on the Korean economy, Minister Sin explained.

The government has also decided to implement its price stabilization measure during the latter half of this year, Minister Sin said.

At the same time the government has drastically reduced various tax rates including income tax, customs duties and farmland tax in an effort to lessen the tax burden of the low-income bracket and to protect the middle-income bracket, Minister Sin said.

Under the revised Economic Management Plan for this year, this year's export goal was readjusted downward from the original 15.5 billion dollars to 15.1 billion dollars. While the import scale was raised from 18 billion dollars to 18.93 billion dollars.

Accordingly, the nation's visible trade deficit this year is expected to rise from the original estimate of 2.5 billion dollars to 3.8 billion dollars, and the nation's current account deficit will increase from 1.4 billion dollars to 2.9 billion dollars.

The government will try to peg the increase rate of wholesale prices below 24 to 25 percent this year and that of consumer prices below 21 to 22 percent, as against the 10 percent and 12 percent originally planned for the year, the nation's top economic planner said.

The government will also manage to curb the total money supply expansion rate this year to 20 to 25 percent, he said. The unemployment rate for this year was readjusted upward from the original 3.6 percent to 3.8-4.2 percent, he said.

The supply volume of crude oil this year will decrease from the original estimate of 192.6 million barrels to 184.2 million barrels, he disclosed.

The government will continue to pursue its tight-money policy during the latter half of this year, he said.

Minister Sin made it clear that the government will not raise bus fares and coal prices within this year to help ease financial burdens on the low-income [word indistinct].

He further said that the government is considering easing its restrictions on the construction of buildings for commercial use on a gradual basis in an attempt to stimulate real estate transactions.

Supplementary Budget

Seoul HAPTONG in English 0820 GMT 11 Jul 79 SK

[Text] Seoul, July 11 (HAPTONG)--The scale of the government's first supplementary budget for this year will rise by 30 billion won from the original estimate to 420 billion won (about 840 million dollars), it was learned at the Economic Planning Board (EPB) today.

The expanded extra budget will be referred to the National Assembly session in September this year for approval, EPB sources said.

The increase is inevitable to meet additional government expenditures in the wake of Monday's sweeping oil price hikes, the source said.

At the outset of this year, government expenditures on oil products were estimated at 100 billion won for the year, the sources said. However, the government will have to spend some 30 billion won more on oil products during the second half of this year due to the 59 percent oil price hikes effected Tuesday, the sources added.

CSO: 4120

S. KOREA/ECONOMY

GOVERNMENT ANNOUNCES PRICE HIKES IN COMMODITY ITEMS ON 10 JULY

Seoul HAPTONG in English 0250 GMT 10 Jul 79 SK

[Text] Seoul, July 10 (HAPTONG)--The government today announced drastic increases for 44 commodity items including 22 petrochemical items and two dairy products.

The increase rates range from three per cent to 48 per cent, the Commerce-Industry Ministry announced.

With the price hikes wholesale and consumer prices would be affected by 1.8 per cent and 0.06 per cent, ministry officials explained.

The price rises for individual commodities followed Monday's government announcement of an average 59 per cent price increase for oil.

According to the announcement, the ex-factory prices were raised by 4.9 per cent for reinforced steel bars, 4.1 per cent for steel shapes, 14.9 per cent for steel pipes, 16.6 per cent for galvanized steel sheets, 21.8 per cent for zinc ingot, 19.2 per cent for monosodium glutamate, 14.2 per cent for kraft paper, 23.2 per cent for newsprint, 17.52 per cent for auto tires, 18.4 per cent for soda ash, 18.4 per cent for cement, 21.6 per cent for sheet glass, 30 per cent for nylon filament yarn and 11.7 per cent for acrylic spun yarn.

The ex-factory prices were also hiked by 29.59 per cent for low-density polyethylene, 27.9 per cent for high-density polyethylene, 13.34 per cent for styrene monomer, 13.21 per cent for SBR [expansion unknown], 17.97 per cent for vinyl chloride monomer, 17.8 per cent for PVE [expansion unknown], 48.04 per cent for caprolactam, 20.57 per cent for carbon black, 38.68 per cent for methanol, 41 per cent for ethylene, 41 per cent for propylene, 41 per cent for butadiene, 41 per cent for benzene, 41 per cent for toluene, 41 per cent for zylene, 41 per cent for cyclohexane and three per cent for powdered milk, the sources said.

CSO: 4120

S. KOREA/ECONOMY

BRIEFS

WARNING ON PRICE HIKES--Seoul, July 10 (HAPTONG)--The opposition New Democratic Party (NDP) has expressed a deep concern over the government's announcement substantially increasing oil and utility prices, warning that the hikes would further aggravate the nation's economic difficulties. NDP in a statement Monday said it was shocked by the increase margin of 59 percent for the oil derivatives, a boost of more than double that of the crude oil increases effected by the Organization of Petroleum-Exporting Countries (OPEC). The statement said the government should have effected the oil price increases at a level ensuring the smallest profit margins of the three oil refineries which it ways [as published] have been enjoying excessive profits. It called on the government to introduce a differential pricing system for oil under which oil for the general masses and mass transit be provided with cheaper prices while oil for the motorists, sightseeing buses and for other "luxury" purposes more expensively. [Text] [Seoul HAPTONG in English 0130 GMT 10 Jul 79 SK]

HYDROELECTRIC SOURCES--The government has decided to step up the effort to tap local energy resources, namely hydroelectric sources, as a basic approach toward tiding over oil crunches and its price gyrations which are expected to beset the national economy protractedly. In this connection, the pertinent economic authorities will conclude by September its survey of 28 candidate sites for the construction of multipurpose dams keyed to the generation of electricity. Officials said that 10 sites will be selected from among the 28 candidates for construction of hydroelectric power plants between 1980 and 1989. So far, relatively low priority was given to the construction of multipurpose dams in view of enormous investment requirements, but the possibility of a prolonged energy crisis coupled with its price spiral provided the impetus for the government to direct more attention to locally cultivable electric sources. [Text] [Seoul KOREA NEWSREVIEW in English 16 Jun 79 p 24]

CSO: 4120

S. KOREA/FOREIGN RELATIONS

GOVERNMENT INVITES IRANIAN BUSINESS OFFICIALS TO COME FOR VISIT

Seoul HAPTONG in English 0304 GMT 7 Jul 79 SK

[Text] Seoul, July 7 (HAPTONG)--(Iranian names as received) The government has invited Chairman Mohammad Ali Kahroumian of the Iran Persian Gulf Fisheries Company (IPGFC) and President Mohammad R. Koleini of the Jask Company, an affiliated company of the IPGFC, to visit South Korea, the Office of Fisheries said here today.

It was the first official invitation extended to Iranian officials since the Middle East country's Islamic revolution in last February, the office said.

According to the office, the invitation has been issued with the aim of further promoting friendly relations and fishery cooperation between Seoul and Teheran.

Meanwhile, the Iranian Government has requested Seoul to increase the supply of fishery products to 11,000 tons from the current 6,000 tons a year which have so far been supplied by the Saeil Fishing Company, a sole Korean fishery firm operating in the Middle East country, according to the office.

South Korea and Iran concluded a fishery agreement in May 1977.

Since then, the Saeil Company has shipped to the country 6,000 tons of various fishery products including lobster and tuna worth five million dollars a year under a contract with the IPGFC.

Thirteen pelagic fishing vessels of the Korean firm are currently engaged in fishing operations in the Persian Gulf area, fuelled from the Iranian Government a price of 35 dollars per kilogram of oil.

The office said it is planning to develop fishing grounds for Korean deep sea fishing boats linking the Persian Gulf, the Indian Ocean and the Pakistan waters through a joint venture between the Saeil Company and a Pakistan fishing firm.

S. KOREA/FOREIGN RELATIONS

WILLINGNESS TO HOST ASIAN YOUTH FOOTBALL CHAMPIONSHIP ANNOUNCED

Seoul HAPTONG in English 0816 GMT 16 Jul 79 SK

[Text] Seoul, July 16 (HAPTONG)--South Korea is willing to host the 21st Asian Youth Football Championship, scheduled for later this year in Shanghai, if China's refusal to invite South Korea's participation should lead to the abortion of the Shanghai event.

Park Chong-kyu, president of the Korea Amateur Sports Association (KASA), made the remarks today while welcoming the Asian Football Confederation warning that China's failure to invite defending champions South Korea and Iraq would cost it the right to hold the annual event.

The AFC's warning in a council meeting in Kuala Lumpur over the weekend followed a plea from Seoul to the World Football Organization (FIFA) last May.

In April, China dropped South Korea with which it has no diplomatic relations from the invitation list of the Shanghai meet slated for October 25-November 10, triggering Seoul's move.

If South Korea were allowed to host the championship, Pak assured it would invite all the AFC members including China and North Korea to the event.

He indicated that South Korea would not accept a possible compromise formula from Beijing under which South Korea would send only sports officials, saying "it would be meaningless exchange."

Pak said the AFC's decision to have defending champions vie in the next championship is an encouraging step to uphold the due order in the Asian soccer community.

CSO: 4120

S. KOREA/FOREIGN RELATIONS

BRIEFS

NEW MALAYSIAN AMBASSADOR--Seoul, Jul 10 (HAPTONG)--President Pak Chong-hui today received credentials from new Malaysian ambassador to Korea Noor Adlan bin Yaha Yauddin in a blue house ceremony. [Text] [Seoul HAPTONG in English 0246 GMT 10 Jul 79 SK]

DEPARTING TAIWANESE AMBASSADOR--Seoul, July 10 (HAPTONG)--President Pak Chong-hui today conferred the order of diplomatic service merit, Kwanghwa, on outgoing nationalist Chinese ambassador to Korea Chu Fu-sung in recognition of his outstanding contribution to the promotion of friendly relations between the two countries during his tour of service. On hand at the ceremony was Foreign Minister Pak Tong-chin. [Text] [Seoul HAPTONG in English 0247 GMT 10 Jul 79 SK]

SAUDI MINISTER'S VISIT--Seoul, July 10 (HAPTONG)--Interior Minister of Saudi Arabia Prince Nayif ibn 'Abd al-'Aziz al Sa'ud will arrive here Thursday for a six-day visit to Korea at the invitation of his Korean counterpart Ku Cha-chun. During his stay here, the Saudi minister will meet with Korean Government leaders for talks on cooperation in internal security matters and economic cooperation between the two countries. He is also to discuss with the Koreans ways of promoting technical tie-ups and the welfare of Korean technicians in the Middle East country. The interior minister is in charge of screening the entry and exit of foreign manpower in Saudi Arabia. He will be accompanied by more than 30 high ranking officials. [Text] [Seoul HAPTONG in English 0048 GMT 10 Jul 79 SK]

EMBASSY IN COMOROS--Seoul, June 30--The government decided Friday to set up an embassy in the Republic of Comoro with which Korea established diplomatic relations February 19 this year. Ambassador to France was named to concurrently serve as the ambassador to Comoro. The decision was made during a cabinet meeting Friday. The Korean trade representation in Kuwait was also upgraded to the resident embassy there. [Text] [Seoul HAPTONG in English 0118 GMT 30 Jun 79 SK]

CSO: 4120

S. KOREA/FOREIGN TRADE

GOVERNMENT PLANS TO 'REWRITE' CONTRACTS WITH U.S. OIL FIRMS

Seoul HAPTONG in English 0308 GMT 16 Jul 79 SK

[Text] Seoul, July 16 (HAPTONG)--The government plans to rewrite next year the contracts signed with three U.S. oil companies for crude oil supply and operation of oil refineries here in order to secure more favorable terms, sources at the Energy Resources Ministry said today.

The three are Gulf Oil, Caltex and Union Oil, which are running oil refineries here in joint ventures with the Korea Oil Corporation (KOCO), Honam Oil Refinery Company and Kyong-in Energy Company, respectively.

Whenever crude oil prices were hiked by oil-producing countries, the three U.S. oil majors have usually notified the Korean oil firms of their reduced supply of crude oil and asked the government to guarantee sufficient profits prior to the readjustment of domestic oil prices, thus forcing the government to effect drastic price increases for oil products, the sources said.

Under the contract concluded with the Korea Oil Corporation (KOCO), for instance, the management of KOCO's oil refinery was put under control of the Gulf Oil Co. The supply volume of crude oil was to be decided unilaterally by Gulf Oil, and Gulf Oil is guaranteed the profits equivalent to 150 percent of its investment in KOCO until the expiry of the contract, the sources said.

Such unfavorable contract terms for the Korean side have made it hard for the government to work out its oil supply-demand programs at its own discretion, the sources explained.

Largely because of the three U.S. oil companies' strong assertion that they could not supply enough crude oil needed for the Korean oil refineries unless they were guaranteed sufficient profits, the government was forced to increase drastically by 59 percent the domestic oil prices on July 10 this year, they disclosed.

In order to remedy these contractual shortcomings, the government will buy up the Gulf's 25 percent share in KOCO next year when the existing contract with Gulf terminates.

This will ensure the Korean side control of KOCO's management and thus provide it more leeway in matters affecting crude supplies and domestic oil prices, the sources said.

The government is also pushing ahead with its plan to rewrite the contracts signed with Caltex and Union Oil for the same purposes even before the expiry date, the sources said. At the same time, the government will strengthen its diplomatic efforts to promote the import of crude oil directly from oil-producing countries, the sources said.

Meanwhile, they disclosed, the three Korean oil firms yielded a total of 27.9 billion won (about 55 million dollars) in net profits last year-- 18.2 billion won by KOCO, 6 billion won by Honam Oil Refinery Company and 3.7 billion won by Kyong-in Energy Company.

CSO: 4120

S. KOREA/FOREIGN TRADE

FIRMS SEEK OVERSEAS DEVELOPMENT PROJECTS

Seoul HAPTONG in English 0840 GMT 12 Jul 79 SK

[Text] Seoul, July 12 (HAPTONG)--An increasing number of Korean enterprises are seeking to take part in overseas mineral resources development projects for re-import into Korea. According to reliable business sources here today, some 30 local firms have submitted to the government offices concerned their applications for 80 mineral resources development projects abroad.

Of them, 15 firms have formed their own task forces for 30 projects, and the state-run Korea Electric Company and six other firms have established joint venture enterprises in resources-rich countries, the sources said.

The Korea Electric Company has invested 4.8 million dollars or 25 percent of the total capital requirements in a joint venture with Paraguay to develop uranium, and the Pohang Iron and Steel Company (POSCO) has invested 68 million dollars to obtain mining rights of soft coal mine in the United States, the sources said.

Samchok Industrial Company has invested 42,000 dollars or 30 percent of the total share in a joint venture with the Philippines to explore a soft coal mine in that country, and ICC Corporation has put up 125,000 dollars or 70 percent of the total share for the development of a soft coal mine in Indonesia, the sources said.

Hwashin Industrial Company has invested 250,000 dollars or 35 percent of the total share in a joint venture project for the development of a zinc mine in Thailand, and Tongyang Chemical Company has invested 320,000 dollars or 30 percent of the total share in a joint venture to develop limestone in the Philippines, they said.

Besides, Samsung Company, Daewoo Industrial Company, Hyundai Corporation, Ssangyong Trading Company, Hyosung Corporation and Daesong Coal Mining Company are pushing ahead with their programs to develop key mineral resources abroad, they added.

S. KOREA/FOREIGN TRADE

BRIEFS

SIX MONTH TRADE FIGURES--Seoul, July 11 (HAPTONG)--South Korea suffered a deficit of 1,309 million dollars in its visible trade during the first half of this year, according to statistics given by the Finance Ministry today. During the first half of this year, South Korea's merchandise exports reached 6,825.7 million dollars on a settlement basis, up 24.8 per cent from the figure reported during the like period of 1978. The nation's imports during the cited period amounted to 8,134.7 million dollars, a rise of 46.4 per cent over the sum recorded during the comparable period a year earlier. As a result, South Korea sustained a deficit of 1,309 million dollars in the first six months of this year, some 509 million dollars more than the deficit of 800 million dollars envisaged in this year's foreign exchange supply-demand program (exchange budget). The nation's foreign exchange holdings at the end of last month came to 5,063.6 million dollars, showing an increase of 127.6 million dollars over the end of last year. Meanwhile, exports last month stood at 1,279.3 million dollars, up 32.5 per cent from the same month a year before, while imports in June amounted to 1,378.7 million dollars, up 18.5 per cent from the like month a year ago, ministry officials disclosed. [Text] [Seoul HAPTONG in English 0240 GMT 11 Jul 79 SK]

MERCHANDISE EXPORTS--Seoul, July 3--South Korea's merchandise exports in the first half of this year remained sluggish apparently because of commodity price hikes at home and worldwide business recession. According to statistics given by the Commerce-Industry Ministry Monday, the nation's commodity exports in the first six months of this year amounted to 6,776 million dollars. The January-June export value reflected a rise of 18.8 per cent over the like period of last year, but it accounted for 99 percent of the 6,850 million dollars originally planned for the six-month period, ministry sources said. Meanwhile, export letters of credit received during the first half of this year totaled 6,553 million dollars, showing a rise of 18.2 per cent over the comparable period a year earlier, they said. [Seoul HAPTONG in English 0046 GMT 3 Jul 79 SK]

ROK-JAPAN TRADE BALANCE--Seoul, July 7 (HAPTONG)--South Korean and Japanese business leaders have agreed to exert their utmost efforts to expand balanced trade between the two countries. The agreement was reached at the close of the two-day joint meeting of the Korea-Japan and Japan-Korea balanced trade expansion committees in Seoul today. The sixth joint meeting was attended by a 12-man Japanese team, headed by Zenji Kyomoto, managing director of the Japan Foreign Trade Council, and a 16-man Korean delegation, led by Vice President Kim U-kun of the Korean Traders Association. At the two-day Seoul meeting, the Japanese side pledged to dispatch a Japanese buying mission to Korea as early as possible as a means to boost imports from South Korea. The Japanese side also promised to positively cooperate with the Korean request calling on the Japanese Government to reduce its import tariffs imposed on 45 Korean export items including electronic products, silk products and auto parts. As one of measures designed to expand Korea's exports to Japan, the Japanese side recommended that Korean traders should promote direct transactions with Japanese department stores and supermarket chains instead of export sales through Japanese trading firms. The Japanese side further pledged to encourage Japanese department stores and supermarket chains to expand their imports directly from South Korea, sources close to the Seoul meeting added. [Text] [Seoul HAPTONG in English 0300 GMT 7 Jul 79 SK]

CSO: 4120

N. KOREA/POLITICS & GOVERNMENT

YI CHONG-OK'S POWER SAID INCREASING, KIM'S ROLE WEAKENING

Tokyo KITA CHOSEN MONDAI in Japanese No 25, 30 Apr 79 pp 1-20

[Text] One inference that can be drawn from observations of recent trends in North Korea is that there is a change in the power structure in which a parallel relationship, that could not even be imagined until now, can be seen between President Kim Il-song and Premier Yi Chong-ok. Furthermore, this has invited a "natural law" relationship in which the enhancement of the premier's reputation is linked to a weakening of the president's power.

Let's try to pursue the phenomena which are the basis for these conjectures from the aspects of the economy, foreign policy and personal relations.

Budget Plan Reflects Line of Premier Yi

This past March, the 1978 annual statement of expenditures and revenues and the 1979 annual budget were adopted at the third meeting of the Sixth Supreme People's Assembly (SPA). The report by Finance Minister Kim-yon, as usual, did not make entirely clear the amount of expenses regarding line items, except the amounts in the statement of annual expenditures and revenues and amounts in the annual budget. But since a multiple growth rate was indicated in the actual achievements toward the previous year's targets in the composition of financial loans, and new targets were partially indicated from those actual achievements, the following points attract our attention, when we gather figures for comparison.

A top-heaviness can be seen in industry-related investments. The mining industry was the only exception (it was 34.2 percent of total industrial construction investments in last year's budget; actual 72 percent increase over the year before was invested. In this year's , a 40 percent increase in the investment is anticipated.) But the machine industry had a 20 percent increase against last year's 30 percent increase; the chemical industry, a 30 percent increase (in 1975, it was 2.3 times that), the construction materials industry, a 10 percent increase (in 1976, it was 3 times that).

On the other hand, health maintenance enterprises had a 15 percent increase against a 7 percent increase last year; the people's economy had a 19 percent

increase against a 10.6 percent increase last year; expenses for social and cultural policies had a 14.6 percent increase against a 12.3 percent increase in the statement of expenditures and revenues; expenses for pre-school and nursery education had a 10 percent increase against a 7.2 percent increase in the 1976 budget. So, a general increase can be seen in the amount of investments related to the people's economy. (Refer to Table)

What attracts one's attention in defense investments is that they are 15.2 percent against last year's 16 percent. This is the lowest growth rate in 6 years.

These movements can be seen as a move by North Korea's industrial establishment toward an era of building up internal strengths, but besides this trend, it would seem that indications suggest that there is a change from a policy of heavy industry as the priority to a policy of improving people's lives. It may be said that this is, in fact, an epochal revision of their economic line. It can be said that this line is nearer to the line of Premier Yi Chong-ok, who is trying to devise a push toward policies of realism.

There is one point of concern within such changes as these. That is, it is speculated that "this year, the nation will appropriate for the education sector basic construction funds in excess of 1.3 times that of last year and large amounts of educational operation expenses in order to inculcate thoroughly the teaching of the essential points, worked out in the general conference of those active in national education, and the 'theses on socialist education' which the president has pushed."

The two teachings of President Kim Il-song emphasize the importance of education in political thought; in the first, "revolutionize the people, working classize, and communize the people;" in the latter, "re-educate the teachers who led the revolution." These thoughts are required.

Why have large amounts been invested in education operating expenses, while the same kind of expenses in pre-school and nursery education have been held at 1.1 times that of last year? At present, a refusal to increase expenses related to the people's economy is not possible--this is the thinking of President Kim Il-song being felt there. The president, who is trying to put the brakes on the Yi Chong-ok line, is reinforcing the education of his own principles under the name of "chuche thought" education.

Despite such undertakings, the tide is turning in favor of Premier Yi. How his relationship with the president will develop in the future is something to be watched.

Table: Change in Financial Investments

	1973			1974			1975			1976			1977			1978		1979	
	T	A	T	A	T	A	T	A	T	T	A	T	T	A	T	A	T	A	
(1)	1.4	1.3	1.5		1.4	1.3			1.2										
(2)						1.5	2								1.3		1.2		
(3)			2.5						1.2										
(4)									1.3			1.2							
(5)	2+			1.9		2.3											1.3		
(6)				1.9						3							1.1		
(7)				1.6		1.6		1.2			1.3		1*	12.2%	1.4				
(8)	1.7	1.7	1.5		1.2						1.1	1.3	1.2						
(9)				1.7**		1.4	1.4		1.2		1.2	1.2	1.2	1.2					
(10)				1.4		1.8	1.5				1.2	1.3	1.2				1.2		
(11)	1.2				119%		113%								12	***			
(12)					117%		112%				110.1/107.4%		107%	115%					
(13)						118%	110.4%				113.4%			110.6%	119%				
(14)	1.2	112%	116%	114%	118%	115%	112.1%			111.1%	109.2%		112.3%			107.3%	114.6%		
(15)	1.7		1.8		1.5												1.3		
(16)							107.2%										1.1		
(17)	15%	15.4%	16%		16.4%	16.5%					15.5%	16%	15.9%	15.2%					
				16.1%		16.4%		16.7%			15.7%								

Key:

T. Target	9. Agriculture
A. Actual Results	10. Transportation Industry
1. Basic Construction	11. Education Enterprises
2. Machinery Industry	12. Health Enterprises
3. Metal Industry	13. People's Economy
4. Electric Power Industry	14. Social and Culture Policy Expenses
5. Chemical Industry	15. Housing Construction
6. Construction Materials Industry	16. Pre-school and Nursery Education Expenses
7. Mining Industry	
8. Light Industry	17. Defense Expenses

N.B. * 34.2 percent of total amount of Industrial Construction investments
** 23.6 percent of investment in production sector of basic construction
*** 1.3 times the basic construction funds and enormous amounts of education operation expenses

Competitive Relationship Even in Diplomacy

It has been mentioned before that the reputation of Premier Yi Chong-ok is gradually being enhanced. A sign of that is suggested by the extent to which the number of telegrams of congratulations or condolences sent by the premier on the occasion of events requiring congratulations or condolences to various countries in the world has magnified.

It can be said that there has been progress when we compare the fact that when Yi Chong-ok assumed office, he received only 23 congratulatory telegrams from leaders of various countries (11 socialist countries, six from Asia, two from the Middle East, 4 from Africa and none from Western Europe), in contrast to former Premier Pak Song-ch'ol, who received 37 congratulatory telegrams when he assumed office (11 from socialist countries, 10 from Asia, five from the Middle East, 10 from Africa and one from western Europe). The degree to which Yi was well known was small.

The competitive relationship with President Kim Il-song has become conspicuous in the sending of congratulatory telegrams on occasions calling for national congratulations to various countries, especially when we look at movements this year. The following individual telegrams attract attention: a message of sympathy on the death of the king of Malaysia, a congratulatory telegram for the 30th anniversary of the Soviet-Korean economic and cultural pact, a telegram to Pakistan requesting that former Prime Minister Bhutto's life be spared, a telegram recognizing the new Iranian government, and a telegram to Albania offering condolences at the time of their earthquake.

The next table lists the status of telegrams of congratulations or condolences sent by Kim Il-song and Yi Chong-ok during the period from November and December of last year and January through March of this year. We can see from this that Premier Yi's fame has suddenly been increasing in recent months.

Table: Status of Dispatched Telegrams of Congratulations or Condolences

Country	Date Sent	Date Reported	Kim Il-song	Yi Chong-ok
Panama	11/2		Commemoration Day	
Domenica		11/6		Diplomatic Recognition
USSR	11/6	11/7	Commemoration Day	Commemoration Day
Romania	11/7		Sympathy Telegram	
Angola	11/10		Commemoration Day	
Maldives	11/15		Presidential Inauguration	
Syria	11/15		Commemoration Day	
Lebanon	11/21		Commemoration Day	

Zaire	11/23	Commemoration Day
Hungary	11/23	Commemoration Day
Surinam	11/26	Commemoration Day
Albania	11/28	Commemoration Day
Barbados	11/29	Commemoration Day
Benin	11/29	Commemoration Day
So. Yemen	11/29	Commemoration Day
Rumania	11/30	Commemoration Day
Laos	12/1	Commemoration Day
United Arab Emirates	12/1	Commemoration Day
Central African Empire	12/1	Commemoration Day
Thailand	12/4	Commemoration Day
Finland	12/5	Commemoration Day
Upper Volta	12/10	Commemoration Day
Kenya	12/11	Commemoration Day
Malta	12/12	Commemoration Day
Sri Lanka	12/12	Sympathy Telegram
Bahrain	12/15	Commemoration Day
Zambia	12/19	Presidential Re-election
Egypt	12/24	Presidential Birthday
Algeria	12/29	President's Death
Cuba	12/20	Commemoration Day

The above are 1978

Country	Date Sent	Date Reported	Kim Il-song	Yi Chong-ok
Singapore	1/5		Presidential Re-election	
Uganda	1/13		Presidential Birthday	
India	1/24	1/25	Commemoration Day	Commemoration Day
Algeria	2/2		Party Chairman Election	

Sri Lanka	2/3	2/4	Commemoration Day	Commemoration Day
Peru		2/5		Premier's Inauguration
Algeria	2/9		New President's Inauguration	
Iran	2/13			Recognition of new Government
China	2/13		Sympathy Telegram	
Gambia	2/17		Commemoration Day	
Pakistan	2/19		Presidential Birthday	
Pakistan	2/20			Telegram Requesting Bhutto's Life be Spared
Guyana	2/24		Commemoration Day	
Kuwait	2/24		Commemoration Day	
Santa Lucia	2/24			Diplomatic Recognition
Bangladesh	3/4		Election Victory	
Equatorial Guinea	3/4		Commemoration Day	
Ghana	3/5		Commemoration Day	
Syria	3/7		Commemoration Day	
Venezuela	3/11		Presidential Election	
Mauritius		3/12		Commemoration Day
Algeria		3/12		Premier's Re-appointment
USSR	3/15			Anniversary of Soviet- Korean Cooperation
Bangladesh	3/24		Commemoration Day	
Pakistan	3/22		Commemoration Day	
Greece		3/25		Commemoration Day
Grenada		3/27		Diplomatic Recognition
Maldives	3/27		Commemoration Day	
Yemen		3/27		Premier's Re-appointment
Malaysia		4/1		King's Death
Afghanistan		4/1		New Premier's Appointment
Congo	4/1		New President's Inauguration	
Western Samoa		4/3		Premier's Re-appointment

Romania	4/2	4/4	Commemoration Day	Commemoration Day
Sengal	4/3	4/4	Commemoration Day	Commemoration Day
Iran	4/5	4/9	Commemoration Day	Commemoration Day
Mali	4/9		Party Chairman's Election	
Niger	4/13		Commemoration Day	
Denmark	4/15	4.19	Commemoration Day	Commemoration Day
Syria		4/17		Commemoration Day
Bangladesh		4/18		New Premier's Appointment
Sierra Leone	4/19		Commemoration Day	
Yugoslavia		4/19	Commemoration Day	
Nepal		4/20		New Premier's Appointment
Albania		4.20		Sympathy Telegram

The above are 1979

This kind of relationship between the two men can be seen in their presence at important events and in meetings with foreign representatives. This year there has been a sudden increase in appearances by Premier Yi.

Table: Frequency of Appearances by President and Premier

Attendance at Event or Meeting with Representative Delegation	Kim Il-song Dates	Yi Chong-ok Dates
Tanzanian Industrial Delegation		11/2
South Hwanghae Provincial Party Committee Conference	11/2-3	Unknown
Palestinian Liberation Organization Special Envoy		11/6
President of Anz Bank in UK		11/6
17th Plenum of Fifth Party Central Committee	11/27-28	Unknown
Delegation of Maltese Party and Government Representatives	12/4	
Romanian Government Delegation	12/6	
Conference of officials from national financial banks	12/20-23	12/20-23
Gathering of Pyongyang Students for celebration of New Year	12/30	Unknown

National Agricultural Conference	1/11-12	1/11-12
Visit to Nampo City and Nampo Harbor	1/21	Unknown
Farewell to Thai Ambassador		2/9
Libyan Health Delegation		2/12
Farewell to Albanian Ambassador		2/14
On-the-spot Guidance at Youth Chemical Complex	2/20	Unknown
Farewell to Iraqi Ambassador	3/6	2/22
Egyptian Special Envoy	3/4	
Welcome Reception for Burundi President	3/20	3/20
Farewell to Czechoslovakian Ambassador	3/19	3/21
Ghana Government Delegation	3/21	
Han Tok-su, Chairman of Korean General Union	3/26	
Third Meeting of Sixth Supreme People's Assembly	3/27-29	3/27-29
Hungary Government Delegation		3/29
USSR Delegation of Actors and Actresses		3/30
General Meeting of Juvenile Corps National Organization		4/15

Extensive Advances by Officials Related to the Economy

When we try to compare the line-up of officials who attended the National Agricultural Conference held this past January to those who attended the same meeting in January 1975, it suggests to us that there was a wholesome change in officials during those 4 years.

The line-up at the previous conference included the following 32 people according to their ranking:

1. Kim Il-song
2. Kim Il
3. Kang Yang-uk
4. Ch'oe Hyon
5. Kim Tong-kyu
6. O Chin-U
7. Pak Sung-Ch'ol
8. So Ch'ol (absent)

9. Yi Kun-mo
10. Kim Yong-chu
11. Yang Hyong-sop
12. Kim Chung-nin
13. Yon Hyong-muk
14. Yi Yong-mu
15. Yu Chang-sik
16. Kim Yong-nam
17. Hyon Mu-kwang
18. Ch'oe Chae-u
19. Chong Chun-ki
20. Han Ik-su
21. Pak Su-tong
22. Kang Song-san
23. Chon Mun-sop
24. Chong Kyong-hui
25. Ho Tam
26. Nam Il
27. Hong Won-kil
28. Hong Song-nam
29. O Tae-pong
30. Yun Ki-pok
31. O Paek-yong
32. Yim Ch'un-ch'u

N.B. 1. Second-ranked Vice Chairman Ch'oe Yong-kon, who was 75 years old at that time, was only a nominal entity when he attended the celebration of the Republic Day the year before the conference. Since he passed away in September 1976, he is excluded here. N.B. 2. Politburo member So Ch'ol was absent from the conference, but, after looking at movements in total, we have added him to the rankings.

Those attending the present conference included 32 individuals:

1. Kim Il-song
2. Kim Il
3. Kang Yang-uk

4. Pak Song-ch'ol
5. Yi Chong-ok
6. O Chin-u (absent)
7. So Ch'ol
8. Yim Ch'un-ch'u
9. O Paek-yong
10. Chon Mun-sop
11. Kim Yong-nam
12. Kim Hwan
13. Kye Ung-t'ae
14. Yi Kun-mo
15. Kim Man-kum
16. Ha Tam
17. Pak Su-tong
18. Kang Song-san
19. Chong Chun-ki
20. No T'ae-sok
21. Kim Ch'ol-man
22. Hyon Mu-kwang
23. Yun Ki-pok
24. Ch'oe Chae-u
25. Cho Se-ung
26. Hong Si-hak
27. So Kwan-hi
28. Kong Chin-t'ae
29. Kim Tu-yong
30. Kang Hui-won
31. Pyon Chang-pok
32. Hwang-Chang-yop

N.B. Politburo member Ch'oe Hyon is 70 this year. Since attending the national celebrations last September, he has stopped coming to official conferences. He put in an appearance after 7 and a half months at the 47th anniversary of the establishment of the People's Army in April of this year, but his ranking has fallen from fourth to sixth. We have excluded him now because it can be seen that he has been put in the same kind of position as Ch'oe Yong-kon.

The following changes can be seen when a comparison is made with previous attendees.

1. Three have died: Han Ik-su, Nam Il and Hong Won-kil
2. Those who have suffered a loss of position or who are in the midst of criticism are the following eight: Kim Tong-kyu, Kim Yong-chu, Yon Hyong-muk, Yi Yong-mu, Yu Chang-sik, Chong Kyong-hui, Hong Song-nam and O T'ae-pong.
3. Ch'oe Hyon is retired on a pension.
4. Yang Hyong-sop and Kim Chung-nin have a limited voice.
5. Two have made a comeback: Yi Chong-ok and Kim Man-kum.
6. New figures who have entered the picture are the following twelve: Kim Hwan, Kye Um-t'ae, No T'ae-sok, Kim Ch'ol-man, Cho Se-ung, Hong Si-hak, So Kwan-hi, Kong Chin-t'ae, Kim Tu-yong, Kang Hui-won, Pyon Chang-pok and Hwang Chang-yop.

In short, among those 12 individuals in the former line-up, fourteen (who make up a little over 40 percent) have retreated from center stage either through death or downfall. The same number of new people (12 through promotion, two through rehabilitation) have passed through the opening to these high honors.

Especially noteworthy is that, of the big figures in the previous line-up, Kim Hwan, Kye Ung-t'ae, No T'ae-sok, Hong Si-hak and Kim Tu-yong surfaced at almost the same time, after Political Committee member Yi Chong-ok, an economist, made his exceptional comeback as parliamentary premier, and similar-minded Kim Man-kum, Political Committee candidate member, assumed the important post of Chairman of the Pyongyang People's Committee. It seems that, together with the engine starters of the Yi Chong-ok cabinet, Cho Se-ung, So Kwan-hi, Kang Hui-won and Pyon Chang-pok, there was a concentration of various specialists centered around an axis of young economists.

In short, it can be said that the National Agricultural Conference in January of this year pointed out the formidable power of Premier Yi and suggests that even President Kim Il-song was put in the position of admitting the Premier's advantage over himself as far as economic questions are concerned.

Moreover, the third meeting of the Sixth Supreme People's Assembly was held in March. This meeting has shown us some interesting facts, different from the meaning given by the aforementioned comparison of the two National Agricultural Conferences. That is, the contrast in the line-up of participants.

According to published reports, the participants at this year's National Agricultural Conference in January were responsible officials connected to and actually involved with agriculture: "The chairman of various collective farm management committees and the lowest level party secretaries from various villages, members from the 3 Revolutions Teams sent to rural villages,

responsible officials from government-managed agricultural enterprise centers, from factories supporting agriculture and from work centers, officials responsible for organizing provinces, cities and rural towns, individuals active in the central organization--totalling about 13,000 people.

It goes without saying that those attending the SPA, which is the highest sovereign political body, consisted of the 579 representatives elected in November 1977. It is the forum for national political discussion by influential persons who represent various circles and classes in society. Therefore, it is usual that influential persons holding high rank in the party or the government attend as ex officio delegates. Of those, the persons seated on the rostrum are the small group regarded as North Korea's most powerful leaders.

The following 29 people are so regarded: Kim Il-song, Kim Il, Kang Yang-uk, Pak Song-ch'ol, Yi Chong-ok, O Chin-u, So Ch'ol, Yim Ch'un-ch'u, O Paek-yong, Chon Mun-sop, Kim Yong-nam, Kim Hwan, Kye Una-t'ae, Yi Kun-mo, Kim Man-kum, Ho Tam, Kang Song-san, Chong Chun-ki, No T'ae-sok, Kim Ch'ol-man, Hyon Ma-kwang, Yun Ki-pok, Ch'oe Chae-u, Hong Si-hak, So Kwan-hi, Kim Tu-yong, Kang Hui-won, Pyon Chang-pok, and Hwang Chang-yop. This is similar to the line-up of those attending the National Agricultural Conference. They are the various committee members of the Central People's Committee and various permanent council members of the SPA.

Among those seated on the rostrum, the "members of the Central People's Committee" are those fourteen individuals underlined above with the exception of Ch'oe Hyon, who was absent. The members of the standing committee of the SPA are these fifteen individuals: Hwang Chang-yop, Hong Ki-mon, Ho Chong-auk, Chon Ch'ang-ch'ol, Kim Yong-nam, Kim Song-ae, Yun Ki-pok, Chon Se-pong, Chong Tong-ch'ol, Chi Chae-yun, Chang Yun-pil and Son Song-pil. The three underlined appeared in the previous list. So there were 41 people seated on the rostrum.

N.B. 1. Three who were absent were Pak Su-tong, Cho Se-ung, and Kong Chin-t'ae. N.B. 2. It can be seen that O Chin-u, who was absent from the National Agricultural Conference, participated in this meeting.

We have the following concerns because of these movements.

1. Two of the President's in-laws, Political Committee Kim Chung-nin, and Political Committee member Yang Hyong-sop, who were thought to have been restored, somehow did not attend either of those meetings. Both of them were ignored coldly after their restoration--Kim, because he is a specialist in operations toward the South and Japan and Yang, because he was always abroad. This indicates that they are still being tested.

2. About the middle of last year, Political Committee member Yon Hyong-muk, who attended the President's on-the-spot guidance, has not been heard of for over 8 months. There is absolutely no indication he will reappear.

3. There is no indication even now--already more than a year and a half later--that a revival of the President's family will take place, such as with Political Committee member and former Vice-President, Kim Tong-kyu and Political Committee member and former director of the General Political Bureau of the KPA, Yi Yong-mu. It seems that both of them have had a temporary loss of power. It is particularly surprising that news about Kim Tong-kyu has stopped, especially since he was director of the party's International Affairs Department and had become a top-ranking vice-president. He was seen as the man behind the scenes in assisting Kim Chong-il, who was to be the president's powerful successor.

4. Kim Chong-il, who was the President's son, and his younger brother, Kim Yong-chu, both Political Committee members--Kim Chong-il's appointment to Political Committee membership and to directorship of the Secretariat was not by formal election--have completely missed out on the opportunity to come out into the open. Kim Chong-il has had many chances to be publicized as the "Comrade successor," but somehow he has not received the trust needed to support his formal debut.

5. On the other hand, at the top of the list of restored persons are Political Committee member and Premier Yi Chong-ok and Kim Man-kum, a Political Committee candidate member. Also, the reinforcement of the young economic specialists' voice in government has become marked. A top-heaviness in young officials has been observed, such as Ho Tam, Pak Su-tong and Chong Chun-ki, Political Committee members, who are close to the president.

6. In contrast to this, the unusual appearance of the highest ranking military men, such as general and Political Committee member O Paek-yong, lieutenant general and Political Committee member Chon Mun-sop and lieutenant general and Political Committee candidate member Kim Ch'al-mau, who seem to be devoted to the President, and also the appearance of Political Committee member and secretary of the Central People's Committee Yim Ch'in-ch'u, who is the President's old military comrade, are points to be given great attention.

What is observed in the moves is that, even in the midst of conveying Kim Il-song's divinity, it can be conjectured that the president's leadership authority has become politically limited. There is the suggestion that it can be thought that the president, as a countermeasure to that, is bringing high officials in the military to the center of the party, such as General O Paek-yong, who is an old military friend of his.

We ought to pay attention to the fact that this sign has been noticeable for the last 2 or 3 years, during which their economic depression has been conveyed to the outside world.

At any rate, it can be said that the budget plan could not help but change to a policy that could command public support, i.e., an improvement of people's lives. It suggests a situation wherein Premier Yi Chong-ok's voice is increasing in proportion to the decline in the president's leadership ability.

Besides this, the closeness of their relationship with the USSR, such as the use of Naja Harbor, and the strengthening of USSR assistance are reflecting the economic countermeasures of Premier Yi, who considers the Soviet-North Korean closeness to be unavoidable under present circumstances. This can illustrate that the North Korean economy has worsened so much that arbitrary actions by the president can not be tolerated for the time being.

9400

CSO: 4105-R

N. KOREA/POLITICS AND GOVERNMENT

AMNESTY INTERNATIONAL REVEALS DPRK TREATMENT OF POLITICAL PRISONERS

Seoul THE KOREA TIMES in English 29 Jun 79 p 3

[Text] London (AP)--Amnesty International made public Monday what it said was the first published account of conditions among political prisoners in North Korea.

The account was written by Ali Lameda, a Venezuelan poet who was imprisoned in North Korea for more than six years.

Amnesty, the human rights organization, won the Nobel Peace Prize in 1977.

Lameda claims in his report that during his imprisonment he was beaten, systematically starved and kept in an unheated cell until his toes were swollen with frostbite.

But despite the conditions, Lameda said he was able to commit to memory more than 400 poems and 300 sonnets, some of which were published with the Amnesty account.

"They killed everything except my memory," Lameda said.

The London-based group said in a commentary accompanying Lameda's story that it had had difficulty obtaining information about human rights conditions under the Kim Il-sung regime. Amnesty officials said they had tried to obtain permission to visit the North Korean capital of Pyongyang to speak with communist officials, but received no response.

The North Korean regime invited Lameda, a member of the Venezuelan Communist Party, to work as a propaganda translator in 1966. He was arrested in 1967, tried the following year on charges of being a foreign agent and sentenced to 20 years imprisonment with forced labor, Amnesty officials said.

Lameda was released from prison in 1974 through the intercession of Amnesty International and Romanian officials who knew of his case. He lost 50 pounds during his years in prison and after receiving medical treatment in Eastern Europe, he returned to Venezuela to write, Amnesty said.

In his account Lamenda said the food and conditions were so brutal that it "reduced grown men to weeping." He said he was held in a camp known as Sariwon and that through contact with guards and other prisoners he calculated that between 6,000 and 8,000 persons were held in the camp. He said he believed there may have been as many as 150,000 political and criminal prisoners in 20 such camps in the country.

CSO: 4120

N. KOREA/MILITARY AFFAIRS

BRIEFS

REACTION TO VESSEY'S REMARK--Seoul, July 7 (HAPTONG)--North Korea flatly denounced a recent remark by outgoing commander of U.S. forces [in] Korea Gen. John Vessey that the continuing military buildup of the Korean and American forces is needed to meet North Korean military threat against the south. According to the NAE-WOE press here today, North Korea's clandestine broadcast outlet, The Voice of the Unification Revolutionary Party, claimed Friday that Vessey's remark was nothing but an expression of the American plot to invade North Korea. The radio was also quoted by NAE-WOE as alleging that the United States has been providing military assistance to South Korea on a larger scale to keep it as its military base. [Text] [Seoul HAPTONG in English 0254 GMT 7 Jul 79 SK]

CSO: 4120

N. KOREA/ECONOMY

'KCNA' REPORTS ON YONGYON COUNTY COMBINED FARM

Pyongyang KCNA in English 1519 GMT 9 Jul 79 SK

[Text] Pyongyang July 9 (KCNA)--The Yongyon County Combined Farm in South Hwanghae Province is one of the model farms in accumulating experience to go over to all-people ownership.

The combined farm is a large-scale socialist economy converting all the cooperative farms in the county into state ownership and uniting into one economic unit all the agricultural and industrial establishments and educational, cultural, public health and commercial circulation organs, such as schools, hospitals and shops.

The combined farm has the county combined farm management committee which performs the functions of economic management and administrative guidance.

The management committee controls, organises and guides in a uniform way all work of the county including agriculture, fisheries and industry.

The Yongyon County Combined Farm has made rapid development over the past 20 years since its birth.

Compared with the early period of its inception the combined farm increased production last year 3.8 times in grain, 12.8 times in meat and 81.8 times in fruit. Its gross output value showed a growth of 9.2 times.

The tremendous changes in Yongyon are attributable to the wise guidance and profound solicitude of the great leader Comrade Kim Il-song.

The great leader formed the state combined farm with county as a unit by uniting the cooperative farms in Yongyon County, saying that the combined farm was organised to gain experience in going over to all-people ownership, he gave minute instructions on the system, organisation and method of management of the farm. For the development of the farm he sent designing workers and agricultural scientists and technicians as well as a large number of modern farm machines including tractors, trucks, rice transplanting machines and harvesting combines, and large quantities of chemical fertilizers and agricultural medicines.

The combined farm has done a lot of work over the past 20 years on the road of bringing into bloom the great leader's plan for the building of communist rural community.

It reclaimed hundreds of hectares of land every year and rezoned more than 10,000 hectares of paddy and non-paddy fields into standardized fields for comprehensive mechanisation. It built 8 big reservoirs and 24 pumping stations and conducted 12 big and small river embankment projects and created shelter belts extending 64 kilometres and over 200 hectares of forests to prevent the drift of sand.

The combined farm readjusted the size of each plot to 1-2 hectares in paddy fields and 5-10 hectares in non-paddy fields to introduce comprehensive mechanisation and laid solid foundations to do stable farming, not affected by abnormal weather conditions.

The county set up a tractor repair shop and farm machine shop not only to repair farm machines but also to manufacture different kinds of trailers and machines by itself.

The farm has many trucks, tractors, harvesting combines, rice-transplanting machines and other modern farm machines and thousands of trailer farm machines of nearly 60 kinds to mechanize all farm work including sowing, weeding, harvesting and thrashing.

The farm reaped a rich harvest every year by thoroughly implementing the chuche-based farming method.

This year, too, sowing and transplanting were carried out in time. Maize and rice are doing unusually good, promising another rich harvest. The average per hectare yield of wheat and barley is at present expected to be more than one ton above the peak years.

Stockbreeding has also developed on a large scale on the farm.

A modern duck plant, breed farm, pig, chicken, milch cow and sheep farms have been set up and their technical equipment has reached a high level. An assorted feed factory and feed base have been firmly built up to solve the problem of feed. Raising of domestic animals is specialised there.

The farm produces every year thousands of tons of meat and an abundance of eggs, milk and butter.

Thousands of hectares of orchards have been created through a mass movement. A solid fishery base has also been laid.

The combined farm has a food factory and meat processing shop producing more than 50 kinds of foodstuffs with farm produce, animal products and aquatic products. There are also daily necessities and chemical goods shops and other local industrial factories which produce consumer goods of various kinds by actively tapping local raw material resources and inner reserves.

As the county combined farm management committee controls and manages the overall work of the county, all branches, such as industry, agriculture, construction and fisheries have evenly developed and productive relations between them further strengthened.

The communist trait of helping and leading each other along is highly displayed among people under the motto "one for all and all for one."

Yongyon regarded as a place unfit for human habitation before liberation has turned today into a reliable production base of grain, meat and fruit, into a paradise of people with a firm local industry and fishery base.

CSO: 4120

N. KOREA/ECONOMY

'KCNA' REVIEWS POWER INDUSTRY DEVELOPMENT

Pyongyang KCNA in English 1022 GMT 6 Jul 79 SK

[Text] Pyongyang July 6 (KCNA)--Signal successes have been made in the power industry over the past 20 years since the June, 1959, plenary meeting of the Central Committee of the Workers Party of Korea held to discuss the question of developing this industry.

The power output of the country grew more than 2.3 times in 1960, as against 1946. Today the nation's power output is more than four times that of 1959.

Since the plenary meeting the power workers have built many large-scale and medium- and small-scale power stations.

The Kanggye Youth Power Station and many other hydropower stations were constructed during the seven-year plan period.

This period also witnessed the completion of the Pyongyang thermal power plant with a generating capacity of 500,000 kw and the partial commissioning of the Pukchang thermal power plant.

Many medium- and small-scale power stations were built in four years or more after the plenary meeting, upwards of 600 medium- and small-scale power stations were newly built throughout the country.

The power industry made rapid development during the six-year plan period (1971-1976).

In this period the Unggi and Chongchongang thermal power plants each with a generating capacity of 200,000 kw were put into commissioning and the Pukchang thermal power plant was expanded into a giant power base with a generating capacity of 1.2 million kw. The Sodusu power stations No 1 and 2 were built and many factory thermal power plants and medium- and small-scale power stations made their appearance.

As a result, the target of 28,000 million kwh of electricity set for in the six-year plan was attained one year and four months ahead of schedule.

Power transmission lines extending thousands of kilometres were newly laid to increase the dependability of power supply.

Today our power industry has done away with the seasonal fluctuation in production thanks to the proper combination of hydropower and thermal power and fully meets by itself the ever growing demand of the national economy for electricity under whatever unfavourable weather conditions.

In 1984, the last year of the Second Seven-Year Plan, our annual power output will reach 56,000-60,000 million kwh.

CSO: 4120

N. KOREA/SOCIAL CONDITIONS

'KOREA HERALD': DEFECTOR REPORTS ON LIVING CONDITION IN DPRK

Seoul THE KOREA HERALD in English 13 Jul 79 p 4 SK

[Editorial: "Sad State of North Korea"]

[Text] It is more disappointing than alarming to learn that the communist regime in North Korea has not desisted from war preparations in spite of the miserable lot to which it continues to subject its people for so long. What we know about the poor state of affairs in that embattled hermit territory of communist fanatics was again confirmed by the revelation made by the latest defector.

A North Korean army officer who crossed the military demarcation line July 5 in search of freedom here provided us with a number of clues to understanding the bellicose policy of the Pyongyang hierarchy and the poor fate of our compatriots in that part of the Korean peninsula under communist rule. We are saddened and dismayed at the obstinacy of Pyongyang in pursuing the daydream of militarily conquering the whole of Korea at the cost of the well-being and basic rights of its people.

Quite a few North Korean military officers and men have defected to South Korea in recent years. However, the case of Lt Kang Hyong-sun is particularly noteworthy in that he was an elite cadre member in charge of political indoctrination of North Korean soldiers. His advanced training at Kim Il-song Political College assured him a comfortable career; yet, he left his home and family behind to seek a new life in freedom.

One major change in the already well-known policy of arming the entire people as told by the defector is lowering the conscription age by one year to 17. According to Kang, most cities, industrial plants and front-line areas are covered with a web of tunnels and trenches. Many more underground infiltration passages are being dug by army corps, and intensive combat training is given to the entire population in preparation for an invasion of the south.

The wretchedly low standard of living is illustrated by the meager amount of food ration. Much of the ration consists of coarse grains, and the total quantity is far from adequate. The shortage of petroleum is so acute as to necessitate burning charcoal as motive power for automobiles.

The widespread economic plight of North Korea is further proven by the malpractice of military officers pilfering and expropriating military supplies and lower-echelon soldiers taking crops and vegetables from farms at will.

It was confirmed that Kim Chong-il, son of Kim Il-song, has been systematically groomed to succeed his father. Quotations from his remarks are part and parcel of the political education sessions forced upon North Koreans. Thus, the personality cult of Kim and his family is promoted in its extreme.

We were told two highly enlightening episodes about the deprivation of love and traditional family bonds. The former North Korean officer confessed that he had been criticized and reprimanded by the workers' party for having a love affair. He was recently denied a leave of absence from his army unit to attend funeral services for his dead mother.

Lt Kang's disenchantment, frustration, suffering and anger are not only his but those of all our unfortunate captive fellow countrymen in the north. We cannot but feel deeply for their tragedy which we cannot share and relieve in any degree. Our national desire for early reunification is fueled all the more by the reports of their misery.

The continuing militancy and bellicosity of communist North Korea sounds a fresh alarm to all having a stake in the security of Korea. Only our own strength and affluence will hasten the day of bringing freedom and a decent life to our brothers and sisters in the north.

CSO: 4120

N. KOREA/POPULATION, CULTURE AND SOCIETY

'TRUD' CITES SOVIET REPORTER'S ACCOUNT ON VISIT TO DPRK

Moscow TRUD in Russian 6 Jul 79 p 3 LD

[Special correspondent R. Kolchanov report, pegged to 18th anniversary of USSR-DPRK friendship treaty]

[Text] Pyongyang, Moscow, July--On entering the demilitarized zone they took the number off the car and drove "anonymously" up to the demarcation line. This divides Korea into two parts along the 38th parallel with a line of concrete posts, and in Panmunjom it even divides a house, where military commissions sit now and again, with a third radio cable. Beyond it is South Korea.

Without stepping over this cable, an American officer approached from among those on duty in the zone. He glanced at our faces and unhurriedly climbed up into a strange building like a pagoda with the inscription in blue characters "House of Freedom." Beneath the characters we noticed a stereoscopic telescope with glittering eyepieces. "Now you are in the American photograph file," Capt Kim Hwa-yong said, smiling. "Through the stereoscopic telescope they take a picture of everyone who appears in the zone from our side."

The captain drove us along a dusty, seldom used road for 3 km to the border museum. It took half an hour to see the whole exhibition. But behind every photograph, the pile of both rusted and brand new weapons, the twisted fragments of American aircraft, the parachutes and radio transmitters and other espionage equipment invariably stamped "Made in the United States," behind the crumpled American soldiers' pay books and bloodstained, muddy dollar bills there is a history of bloody and dirty crimes by American imperialism against the Korean people.

After countless border incidents on 25 June 1950 the Yankees began open aggression against the DPRK. After 3 years, having transformed the People's Republic into ruins but without bringing it to its knees, they found themselves forced to sit down at the conference table and sign an armistice agreement.

We were shown the text of the agreement in begin talks within 3 months on the withdrawal of foreign troops from Korean soil. Since that time not 3, but 312 months have passed into history. There is not a single foreign soldier on the territory of the DPRK, but in South Korea the American military holds sway.

"The Korean people's main aim," Capt Kim Hwa-yong said, "is the unification of the motherland on a peaceful democratic basis. And the main condition is the withdrawal of American troops."

A 40,000-strong U.S. Army seized southern Korea, covered the foreign soil with its bases and firing ranges and filled it with nuclear explosives. The Seoul puppets' regime is propped up by American bayonets and the Americans, rejecting the joing statement by representatives of the north and south of the country on the principles of unification, have denied the Korean people the right to determine their own destiny by their own efforts.

The "House of Freedom" in Pammunjom is symbolic. From there, a few meters beyond the line of concrete posts and the thick radio cable, right down to the south of Korea they conduct themselves unceremoniously and "freely," as if at home.

Past midnight music rang out over the city, evidently corresponding with the spirit and mood of the students, who had come out onto Pyongyang's construction sites after their studies. The tractor builders from the Kumsong plant, after finishing work in the fields, took to the machines. Every Friday professors and journalists, office workers and shop assistants--all those not engaged in physical work on ordinary days--build housing, lay roads and clean the streets. On Sunday near Kaesong we came upon one group after another of young schoolchildren with baskets for collecting harmful insects from the rice fields, gingseng plantations and orchards. They really work without pause, young and old.

Three-fourths of the country is covered by mountains, so it is with respect for every meter of land that a silky green carpet of rice sowings, stem to stem without a single weed is being laid out from the foothills to the very edge of the road. The plantations of the "root of life," which cannot bear the sun's rays, are covered with straw mats. On Kochang cooperative they gather about 5,700 tons of grain and 10,000 tons of vegetables and obtain about 1,000 tons of meat, not including poultry, every year from 800 hectares of stony land.

The "speed battle," the movement of the "Chollima" teams, the competition for the red banner of the "three revolutions" and other patriotic initiatives have one aim--to carry out construction and to produce output rapidly and to a high quality.

The first words at every plant or school, hospital or Pioneers' palace, livestock unit or highway are words of pride about record schedules.

The huge machine assembly shop at the Kumsong tractor plant was constructed in 18 months by the "speed battle" method. The first tractor was manufactured in 35 days, despite being made by hand.

"It is true," Kang Song-mu, chairman of the plant committee, laughed, "that the tractor unexpectedly went backward. It was immediately taken apart and everything was put right."

Now 10,000 "(Chollima)" and 20,000 "Big Harvest" tractors move off every year in the direction most necessary for the country--toward the fields of the cooperatives, which are gaining strength.

In 1984, the last year of the 7-year plan, it is planned to gather 10 million tons of grain, extract 70-80 million tons of coal and sharply increase the production of all types of products. The price is the even better economic organization and the people's exceptional industriousness and enthusiasm, with the help of the fraternal socialist countries.

The republic's trade unions unite about 2.2 million people--approximately one-fifth of the entire able-bodied population. Under the party's leadership they fulfill tasks in the ideological and political education of the working people.

Telling us about the trade unions' educational work, Kim Pong-chu, chairman of the General Federation of Trade Unions of Korea Central Committee, stressed that in fighting to build socialism in the DPRK, the working people associate this task inseparably with the great national goal--the unification of the motherland.

The assistance and solidarity of the working people and trade unions of the Soviet Union is invaluable in achieving this goal and in the republic's economic successes and great significance is attached to the friendship treaty between our countries.

Expressing gratitude to Soviet working people and trade unions for their constant support for the Korean people's struggle, Kim Pong-chu said:

"The traditions of the revolutionary past lie at the basis of relations between our trade unions. Ties are developing successfully. Confirmation of this is provided, in particular, by the visits by a delegation from AUCCTU and the trade unions of Primorskiy Kray, and Soviet trade union journalists, and also by a delegation of the General Federation of Trade Unions of Korea Central Committee and the forthcoming visit by representatives of the DPRK trade union press.

"In the long term we are also planning such a form of cooperation as the exchange of workers' delegations from related enterprises."

Every foreign delegation is met without fail at the capital's airport by young Pioneers with bouquets of real flowers. This is both a sign of special hospitality and a kind of visiting card for the republic.

A cult reigns in the republic. The cult of children. "Children are the kings of our life. All that is best belongs to them." That, if you like, is official doctrine, repeatedly and colorfully asserted on posters and huge panels, and--most important--embodied in the imposing Pioneers' palaces, well equipped schools and gleamingly clean kindergartens and in the day-to-day concern for little boys and girls.

The impressive approaches to the Pyongyang Pioneers' palace are framed with a line of fountains. As you pass it, you find yourself facing a line of Pioneers in school uniform and national costume, welcoming guests loudly. And wherever you go--into the planetarium, the zoological museum with study rooms, the technical laboratories, the hand and machine sewing rooms, the Korean dancing rooms, the music rooms--you are met with a friendly welcome by the blue and white ranks of schoolchildren in red ties. In the motor vehicle workshops they also all wear white shirts and blue trousers.

If obedient, disciplined children exist anywhere in our age, it is Korea. When they are more than two of them, they walk in line, singing. Especially when a whole class is walking along, the chairman of the detachment's council walks at one side, and the teachers do not interfere in the procession at all.

Respect for adults in its turn engenders respect for children. Industriousness and zeal are born at the same time. In the "9 June" school in the capital, as the director told us, in their studies. As for application and discipline, all 1,000 have without doubt earned the highest grade.

Returning to Pyongyang from the provinces in the evening, we saw how schoolchildren, helping the adults, were placing lamps in the rice fields--sticks 1.5 meters long with an oil burner fixed on the end in a tin holder. It seems that insects, as harmful as they are foolish, fly into the flames and die. The orderly lines of schoolchildren leave orderly lines of flames behind them in the night.

A life full of children's joys and socially useful deeds. Nothing is beyond the schoolchildren's capabilities. And it is doubtless no accident that the children's choir began its concert--which can without exaggeration be called professional--in the Pyongyang Pioneers' palace with the song "We Envy Nobody in the World."

And from childhood they prepare to defend their world of socialism. In the Pioneers' palace military club we saw a 12 or 13-year-old girl dismantle a submachine gun in 12 seconds, and then in the shooting gallery hit three targets in a row. When I asked her who is the main enemy of the Korean people, she stood to "attention" and answered: "American imperialism, which has occupied South Korea and deprives the Korean people of the opportunity of implementing the unification of the motherland on a peaceful democratic basis."

N. KOREA/GEOGRAPHY

'KCNA' REPORTS ON DEVELOPMENT OF PYONGYANG

Pyongyang; KCNA in English 1500 GMT 7 Jul 79 SK

[Text] Pyongyang July 7 (KCNA)--Pyongyang has assumed an appearance of a grand and beautiful modern city today.

The city has made a faster development since the great leader Comrade Kim Il-song put forward tasks for the domains of construction, industry and agriculture at an enlarged plenary meeting of the Pyongyang Municipal Party Committee in June 1964, that is, 15 years ago. At the meeting, he indicated overall tasks and ways for rendering more grandeur to the capital with the construction of more monumental edifices under a far-reaching plan, many-storied flats, modern plants and public service facilities and recreation centres, effecting a radical plan in industrial production and, furthermore, laying a solid production base for self-sufficiency in food, staple and non-staple, in Pyongyang.

The last 15 years have witnessed the appearance of the first and several buildings of the Kim Il-song University, the Pyongyang Indoor Stadium, the February 8 House of Culture, the Mansudae Art Theatre, the Pyongyang metro and many other monumental edifices in the city.

The Chollima, Nakwon, Pipa, Kyonghung and other new modern streets came into being to change the looks of the capital.

There also cropped up the Pyongyang thermal power plant, the Pyongyang combined flour processing mill, the Pyongyang Aeguk Okdang sugar factory and a host of other large and modern industrial establishments.

Many parks and recreation centres including the modernly furnished Taesongsan recreation ground have been laid out.

A vast progress has been made in industrial production, too. The industrial output jumped 3.1 times in this period. A leaping growth has been recorded particularly in the production of power, cement, fixtures, machinery and such mass consumption goods as textiles and shoes.

Thus, Pyongyang, which was a commercial city before liberation, has turned today into a productive city, a city with a solid industrial base capable of satisfying its constantly growing demands for light and heavy industrial products of wide variety.

Over the last 15 years, reliable bases of grain and non-staple food production have been laid in the city, agricultural production augmenting each year. Grain output has gone up 1.8 times, meat 2.4 times and fruits 6 times. As a result, the population of the capital is abundantly supplied with food of all kinds.

A large-scale construction continues in the city.

Now new streets are taking shape, among them the Hasin Street and the street passing before the engineering college, which are biggest in length and scale. The construction of the maternity hospital with a floor space of 50,000 square metres and the bathing centre, 25,000 square metres in floor space with modern public service facilities and an indoor swimming pool, is now progressing apace. They will be completed this year.

CSO: 4120

N. KOREA/KOREANS IN JAPAN

'MINJOK SIBO' DENOUNCES FASCIST ROK

Pyongyang KCNA in English 1518 GMT 6 Jul 79 SK

[Text] Pyongyang July 6 (KCNA)--MINJOK SIBO, a newspaper of "Mindan"-lining compatriots in Japan, on June 15 carried an article lashing at U.S. President Carter's South Korean trip and the fascist brutalities of the South Korean authorities, according to a KNS report from Tokyo.

Pointing out that the South Korean people and broad public circles oppose Carter's South Korean trip, because it would stimulate and encourage the South Korean authorities in the suppression of human rights, the paper said:

"South Korea has turned into a graveyard of human rights under the sway of the code ruling out human rights, a land flooded with a thousand and one fascist laws burying human dignity and personal value.

"The Yusin constitution stipulates power of one-man dictatorship outdoing despotic sovereign powers.

"One-third of the national assemblymen are appointed directly by him and a party which won the biggest votes in a general election cannot hold power. This strange pre-political practice is the truth about the South Korean politics.

"Under emergency decree No 9 criticism of and discontent at the Yusin constitution and a speech and interpellation about the right to live, human rights and civil rights at the National Assembly, a lawyer's argument for the defendant, and a religionists preach are branded as crimes and objects of penalties.

"Kept in force for more than four years, the emergency decrees stuff the mouths and ears of the people and blindfold them.

"Torture is a main point which must not be overlooked in the human rights problem. The brutal tortures by the Pak regime are already known to everyone. Men and women, old and young, and even children are subject to shuddering tortures. The tortures are so inhuman that the words "death manufactory" and "cripple manufactory" have been added to the vocabulary.

"An open raid on an opposition party boss-elect by a mobile police corps several hundred strong in broad daylight--this is the very nature to South Korean-style democracy."

Noting that the South Korean authorities claim they "restrain liberty for security's sake," the paper said: "But this is nothing but a pretext for their permanent office." "Security can never be a pretext for the suppression of human rights," it added.

Stressing that "Carter's South Korean trip will only result in encouraging the Pak dictatorship in the suppression of human rights," the paper went on

"With green light from Carter, the Pak regime will get more savage in its suppression of human rights in the future. This means that the United States which has so far been indirectly responsible will become a direct conspirator.

"The suppression by the Pak dictatorship has reached the limits and the ardent desire of the people for democracy is filling the air. Harsher the repression, the stronger the resistance.

"The South Korean situation is changing and the people's conviction of victory is deepening."

CSO: 4120

N. KOREA/KOREANS IN JAPAN

KOREAN YOUTH IN JAPAN MEETING SUPPORTS REUNIFICATION

Pyongyang KCNA in English 1030 GMT 9 Jul 79 SK

[Text] Tokyo July 7 (KNS-KCNA)--A central meeting of Korean youth and students in Japan for the promotion of national reunification and the convocation of an all-nation congress was held on July 5 at the Hibiya open-air amphitheatre in Tokyo.

A portrait of the respected and beloved leader Marshal Kim Il-song was put up on the platform.

Attending the meeting were Yi Chin-kyu, vice-chairman of the General Association of Korean Residents in Japan (Chongnyon), the director of the propaganda department of Chongnyon, the chairman of the Tokyo metropolitan headquarters of Chongnyon, the chairman of the Central Committee of the League of Korean Youth in Japan, and other leading functionaries of organisations and enterprises, Korean youth and students in Kanto area, over 7,500 in all.

Before the opening of the meeting, the group of Osaka-Tokyo grand march of Korean youth and students for the promotion of national reunification and the convocation of an all-nation congress and Korean youth and students in Japan demonstrated from Yoyogi Park in Tokyo to the meeting place, shouting slogans and wearing on their breasts and backs words "promote the independent and peaceful reunification of Korea," "resolutely oppose the two Koreas plot" and "U.S. troops, get out of South Korea at once."

A letter to the respected and beloved leader Marshal Kim Il-song was adopted at the meeting amid thunderous applause of the entire attendants.

Vice-Chairman Yi Chin-kyu addressed the meeting.

He pointed out that a demand for the convocation of an all-nation congress, a wide-range dialogue between the North and South based on the policy of national reunification laid down by the great leader is growing stronger as never before. He denounced the U.S. imperialists and the South Korean authorities for intensifying the criminal splitting manoeuvres in an undisguised way in defiance of the desire of the people.

Then the floor was taken by Kang Sa-kyu, chairman of the Central Committee of the League of Korean Youth in Japan.

Fukuji Matsusado, vice-chairman of the Central Executive Committee of the Japan League of Socialist Youth; Nobuo Yoshita, director of the public relations department of the Central Committee of the Democratic Youth League of Japan; and Seiichi Ota, secretary general of the Council of Japan Youth groups, who were present at the meeting as guests also made speeches.

They unanimously denounced U.S. President Carter for having visited South Korea despite public denunciation at home and abroad and condemned the U.S. imperialists and their lackeys who disclosed their aggressive attempt to create "two Koreas" and hasten the U.S.-Japan-South Korea military integration.

They expressed fervent support to the statement of the Central Committee of the Democratic Front for the Reunification of the Fatherland for achieving the independent and peaceful reunification of Korea through dialogue and manifested their firm determination to fight hand in hand with the Korean youth for its realization.

A resolution was adopted at the meeting.

CSO: 4120

N. KOREA/KOREANS IN JAPAN

CHONGJIN RALLY HAILS KIM IL-SONG'S INSTRUCTIONS

Pyongyang Domestic Service in Korean 2100 GMT 29 Jun 79 SK

[Excerpts] An uprising meeting of the working people of Chongjin City to thoroughly implement the great leader Comrade Kim Il'song's on-the-spot instructions was held on 24 June.

Placed at the meeting site were the slogans "Let Us Thoroughly Implement the Great Leader Comrade Kim Il'song's June 1979 On-the-Spot Instructions," "Let Us Work and Live in a Revolutionary Manner, Upholding the Great Leader Comrade Kim Il'song's On-the-Spot Instructions" and "Let Us Effect Great Revolutionary Upsurges on All Fronts of Socialist Construction."

Comrade Hyon Mu-kwang and responsible functionaries of local party and power organs, local administrative and economic organs and local organizations of working people including Kim Hyong-sam attended the meeting.

Reports and discussions were made at the meeting. The reporter and those who participated in the discussions said that the great leader Comrade Kim Il-song's instructions at his recent on-the-spot guidance in Chongjin City and north Hamgyong Province are a programmatic guideline for effecting new upsurges in socialist construction and for expediting the magnificent militant task of the second 7-Year Plan.

Stressing increased production of steel materials by concentrating on developing the ferrous metal industry, the meeting urged that the Kim Chaek Iron Works and the Chongjin Steel Works complete their production quotas for this year before 10 October by normalizing production of pig iron, steel and rolled steel at high levels through the active modernization and Chuche-orientation of all production processes.

The meeting adopted a resolution. The meeting ended with the singing of "We Wish the Leader a Long Life and Good Health."

The Kim Chaek Iron Works, the Chongjin Steel Works, the Chongjin Shipyard and Metallurgical Plant Construction Enterprise No 2 held uprising meetings to thoroughly implement the respected and beloved leaders on-the-spot instructions.

N. KOREA/KOREANS IN JAPAN

BRIEFS

CHONGNYON VISITORS--Pyongyang July 7--The home-visiting group of technical workers of Mie Prefecture under the General Association of Korean Residents in Japan (Chongnyon) left Pyongyang by air on July 6 after a visit to the socialist homeland. [Text] [Pyongyang KCNA in English 0340 GMT 7 Jul 79 SK]

CHONGNYON DELEGATIONS--Pyongyang, July 8--A delegation of workers of the General Association of Korean Residents in Japan (Chongnyon) headed by Hwang Ui-sun, vice-director of the Financial Department of the Central Standing Committee of Chongnyon, and the 62nd home-visiting group of compatriots in Japan headed by Pak Han-chu, chairman of the Tokyo Metropolitan Educational Association of Chongnyon, and the 63rd home-visiting group of compatriots in Japan headed by Choe Nak-ki, vice-chairman of the Okayama Prefectural Headquarters of Chongnyon, arrived in Pyongyang on July 7. [Text] [Pyongyang KCNA in English 0800 GMT 8 Jul 79 OW]

CSO: 4120

N. KOREA/FOREIGN RELATIONS

ENVOY TO PRC HOSTS BANQUET TO MARK TREATY DATE

Pyongyang Domestic Service in Korean 2200 GMT 12 Jul 79 SK

[Text] Ambassador of our country to China Chon Myong-su arranged a banquet on 11 July at the DPRK Embassy, on the occasion of the 18th anniversary of the signing of the Korea-China treaty of friendship, cooperation and mutual assistance.

Invited to the banquet were Geng Biao, member of the Political Bureau of the Central Committee of the Communist Party of China and vice premier of the State Council; Huang Hua, minister of foreign affairs; Li Qiang, minister of foreign trade; Qiao Shi, deputy head of the international liaison department of the CCP Central Committee; Wei Yuming, vice minister of economic relations with foreign countries; Huang Yukun, deputy director of the general political department of the People's Liberation Army, and others.

The ambassador of our country, who spoke first at the banquet, said that the signing of the Korea-China treaty of friendship, cooperation and mutual assistance was an important event that consolidated and developed to a new higher stage the traditional friendly and cooperative relations between the peoples of the two nations, which were tied in blood in the flames of the prolonged, arduous revolutionary struggle against the common enemy.

He pointed out that, during the past 18 years, the treaty has been a reliable factor to oppose imperialism, maintain peace and safety in Asia and accelerate the cause for socialism and communism, and has greatly contributed to promoting the common cause of the people of the newly emerging nations for the opposition of aggression, interference and dominationist forces of all forms and for the construction of a new society.

Noting the successful accomplishments of the Chinese people in the new era, he wished the Chinese people greater progress in the struggle to implement the four modernizations program of the nation, regain Taiwan and reunify the nation.

Minister of Foreign Affairs Huang Hua, who spoke next, said that the signing of the China-Korea treaty of friendship, cooperation and mutual assistance is a reflection of the common desire of the peoples of China and Korea and thus agrees with the basic interest of the peoples of the two nations, and pointed out that, during the past 18 years, the friendship and cohesion between the peoples of China and Korea have been ceaselessly strengthened and consolidated and the cooperative relations between the two nations have been fully developed.

China and Korea have learned from and helped each other in the socialist revolution and socialist construction and have supported each other in the struggle against imperialism, colonialism and dominationism, he said and went on: The Korean people desire a lasting peace in Korea and its independent and peaceful reunification. To this end, the party and the government of Korea have put forward many reasonable views and proposals. But, the question of the reunification of Korea has not yet made any progress because of the obstruction and opposition of the United States and the South Korean authorities.

The realization of the independent and peaceful reunification of Korea is a desire of the entire Korean people.

The presence of the U.S. troops in South Korea and the "two Koreas" policy pursued by the United States and the South Korean authorities are the biggest obstacle to the realization of this desire.

When the U.S. President visited South Korea some time ago, the U.S. side assured the continued presence of its military power in South Korea and continued military aid to the Pak Chong-hui clique, and invariably incited the tone supporting division and obstructing reunification, babbling with Pak Chong-hui about the so-called "cross recognition" and "the simultaneous entry to the United Nations." This only makes the Pak Chong-hui clique aggravate tension on the Korean Peninsula and creates a greater problem on the reunification of Korea.

The United States and the South Korean authorities have come forward with the proposal for "three-way talks." On this, the spokesman of the Ministry of Foreign Affairs of the Democratic People's Republic of Korea published a statement on 10 July clarifying its stand toward this and put forward a new proposal.

The Korean Government's stand is absolutely correct and its proposal is reasonable and constructive.

The Chinese Government and people resolutely support it.

As a signatory to the Korean armistice agreement, the United States should respond to the proposal made by the Democratic People's Republic of Korea so as to discuss with DPRK representatives the question of the withdrawal

of U.S. troops from South Korea and the question of the replacement of the armistice agreement with a peace agreement.

As for the wide-ranging dialog between the North and South of Korea to discuss the question of the independent and peaceful reunification of Korea, this is entirely an internal affair of the Korean people and no interference by any outside force should be allowed.

He reaffirmed that China resolutely supports the Korean people's struggle for the independent and peaceful reunification of their fatherland and the three principles and five-point policy put forward by President Kim Il-song, as well as the joint appeal by the 18 political parties and social organizations of Korea.

He stressed that the United States must withdraw all its military forces from South Korea and stop its interference in the internal affairs of Korea.

He said that the Chinese people firmly believe any attempt to permanently divide Korea will certainly be defeated and the cherished desire of the Korean people for the reunification of their fatherland will certainly be realized.

Commenting on the friendship between the peoples of China and Korea, he said: History has repeatedly proved that the Sino-Korean friendship nurtured by Comrades Mao Zedong and Zhou Enlai together with Comrade Kim Il-song has stood the test of time and is indestructible by any force.

The banquet proceeded in a friendly atmosphere.

CSO: 4108

N. KOREA/FOREIGN RELATIONS

MOSCOW MEETING MARKS ANTI-U.S. STRUGGLE MONTH

Pyongyang Domestic Service in Korean 1300 GMT 30 Jun 79 SK

[Text] According to a report, a meeting of the representatives of social circles of the Soviet capital was held on 25 June at the Friendship Hall in Moscow on the occasion of the start of the month of anti-U.S. joint struggle.

Hanging at the front of the meeting place were the national flags of our country and the USSR. The vice chairman of the Standing Committee of the Union of the Soviet Society for Friendship and Cultural Relations with Foreign Countries, the vice chairman of the Central Committee of the USSR-DPRK Friendship Society and the functionaries of the sectors concerned participated in the meeting along with the representatives of social circles. The diplomatic Minister [Kong Sa], councilors and military attache of the DPRK Embassy in Moscow, and the members of the DPRK-USSR Friendship Society delegation visiting the USSR were invited to the meeting.

At the meeting, the vice chairman of the Central Committee of the USSR-DPRK Friendship Society, who is also deputy minister of timber and wood processing industry of the USSR, and the head of the delegation of the DPRK-USSR Friendship Society made speeches.

In his speech, the vice chairman of the Central Committee of the USSR-DPRK Friendship Society emphasized that the USSR would invariably and totally support the policy of the Korean Workers' Party for reunifying the country based on the principles of peace and independence and without foreign interference, and would oppose to every plot to divide the country permanently into two Koreas.

A resolution expressing solidarity with the Korean people's struggle for the withdrawal of the U.S. forces from South Korea and for achieving the independent and peaceful reunification of the country was adopted at the meeting. After the meeting an art performance was arranged for the participants.

N. KOREA/FOREIGN RELATIONS

KIM IL-SONG RECEIVES SOLIDARITY MESSAGES FROM ABROAD

Pyongyang KCNA in English 1106 GMT 9 Jul 79 SK

[Text] Pyongyang July 9 (KCNA)--The great leader Comrade Kim Il-song received solidarity messages from foreign countries on the occasion of the month of anti-U.S. joint struggle.

Masie Nguema Biyogo Negue Ndong, chairman of the Central Committee of the National United Workers Party of Equatorial Guinea, life president of the Republic of Equatorial Guinea, head of state and head of the People's Revolutionary Government, stressed in his message that the cause of the peaceful reunification of Korea is a just cause of freedom. We unconditionally support this cause, he declared.

Lars Werner, chairman of the Left Party Communists of Sweden, in his message highly appreciated the new proposals set forth by the great leader for the peaceful reunification of Korea and fully supported them.

Franz Muhr, chairman of the Central Committee of the Communist Party of Austria, stressed in his message: The U.S. occupation troops remain still in South Korea. This is the chief obstacle to the peaceful reunification of Korea.

We will as ever express deep sympathy with the Korean people in their struggle for the reunification and independence of the country under the leadership of the Workers' Party of Korea.

Norodom Sihanouk of Kampuchea in his message said that, thanks to so just and noble proposals put forward by the great leader, the independent and peaceful reunification of Korea will be surely achieved.

A message from Gert Petersen, chairman of the Socialist People's Party of Denmark, said:

We always firmly support you Comrade President and the entire Korean people who are struggling for the removal of all foreign military bases on the Korean Peninsula, an end to the fascist rule in South Korea and the reunification of the country.

Mathieu Kerekou, chairman of the Central Committee of the party of the People's Revolution of Benin and president of the People's Republic of Benin, in the message reaffirmed their firm support to the just and wise policy for the independent and peaceful reunification of the country clearly indicated by the great leader Comrade Kim Il-song.

Vasir 'Arafat, chairman of the Executive Committee of the Palestine Liberation Organization and commander-in-chief of the Revolutionary Armed Forces of Palestine, said in his message:

We believe that the Korean people under the wise guidance of you the great leader will drive the U.S. imperialist aggressors and their stooges out of the southern half of your country and reunify the country.

Muhammad Ahmad Anwar al-Sadat, president of the Arab Republic of Egypt, in his message extended hearty greetings to the great leader President Kim Il-song on the occasion of the month of solidarity with the Korean people.

A message from Ahmed Kazi Zafar, chairman of the United People's Party of Bangladesh, said:

We know well that the U.S. troops occupation of South Korea is the chief obstacle to the reunification of Korea.

We firmly believe that the Korean people under the wise guidance of Your Excellency will smash the manoeuvres of aggression and split of the U.S. imperialists and reunify the country without any outside interference.

Walid Junblat, chairman of the Lebanese Socialist Progressive Party, said in his message: We always support the policies clarified by you the great leader for the peaceful reunification of the country and resolutely oppose the new war provocation manoeuvres of the imperialists in Korea.

And we bitterly denounce the recent speech of Carter in which he said he would keep the U.S. troops stationed in South Korea, defying the unanimous demand of the world people for the immediate and unconditional withdrawal of the U.S. troops from South Korea and the solution of the question of the national reunification by the Korean people themselves without any outside interference.

In his message Eduard Hafner, general secretary of the Swiss Progressive Organizations and chairman of the Swiss Committee for Supporting Korea's Reunification, stressed:

U.S. President Carter "pledged" to bring back the U.S. troops from South Korea during his election campaign in 1976. But he acts quite contrary to this.

We welcome the appeal calling for the withdrawal of the U.S. troops and guarantee of democratic rights in South Korea and the world-wide signature campaign organized by the international liaison committee for the independent and peaceful reunification of Korea.

N. KOREA/FOREIGN RELATIONS

VISITING GRENADA GOVERNMENT DELEGATION HOSTS BANQUET

Pyongyang KCNA in English 0342 GMT 7 Jul 79 SK

[Text] Pyongyang July 7 (KCNA)--The government delegation of the Republic of Grenada arranged a banquet at the Omgnyugwan Restaurant on the evening of July 6 in connection with its visit to Korea.

Vice-Premier and Foreign Minister Ho Tam, and Chong Song-nam, Kim Chung-il, Om Tok-hwan and other personages concerned were invited to the banquet.

Present there were the members of the delegation headed by Selwyn Strachan, minister of communications, works and labour.

Selwyn Strachan spoke at the banquet,

He said that the delegation's visit to Korea was very interesting and fruitful and carried weighty significance in strengthening the everlasting friendship between the governments and peoples of the two countries.

Noting that they were received by the great leader Comrade Kim Il-song, the head of the delegation said: This is the greatest honour and privilege for us.

Pointing to the great development made by the Korean people especially in industry and all other branches of the national economy, he stressed that the success of the Korean people is attributable to the energetic guidance of the great leader Comrade Kim Il-song and to the firm unity of the entire Korean people around him.

Chong Song-nam spoke next.

He said:

The delegation's visit to our country deepened understanding between the peoples of Korea and Grenada and greatly contributed to the development of the friendly relations between the two countries.

Today the imperialists and the reactionaries dislike to see Grenada following the road of independence, enforcing progressive reforms, and try to lay hurdles on the road ahead of her people.

The Korean people believe that under the correct leadership of His Excellency Prime Minister Maurice Bishop the Grenada people who are advancing along the road of progress, taking their destinies in their hands, will win greater victory.

He expressed deep thanks to the government and people of Grenada for their full support and solidarity for our people's cause of national reunification. We will as ever make every effort possible to further develop the friendly relations with the fraternal Grenada people, he said.

The attendants toasted the militant friendship and solidarity between the Korean and Grenada peoples, the good health and long life of the great leader of our people Comrade Kim Il-song and the good health and long life of His Excellency Maurice Bishop, prime minister of the People's Revolutionary Government of Grenada.

CSO: 4120

N. KOREA/FOREIGN RELATIONS

BRIEFS

BULGARIAN FOREIGN MINISTRY DELEGATION--Pyongyang July 10 (KCNA)--A delegation of the Foreign Ministry of the Bulgarian People's Republic headed by Marin Yotov, vice-minister of foreign affairs, arrived in Pyongyang on July 9 by plane. It was met at the airport by Kil Chae-kyong and other personages concerned and Hristo Kelchev, ambassador of the Bulgarian People's Republic to our country. [Text] [Pyongyang KCNA in English 0804 GMT 10 Jul 79 SK]

RECEPTION AT PRC EMBASSY--Pyongyang July 10 (KCNA)--Liu Yan, charge d'affaires ad interim of the Chinese Embassy, arranged a reception on the evening of July 9 at the embassy in connection with the Korean visit of the Chinese agricultural delegation headed by Li Yuqiu, vice-minister of agriculture. Invited to the reception were Han Chang-man and other personages concerned. Members of the delegation were present there. Speeches were made at the reception. It passed in a friendly atmosphere. [Text] [Pyongyang KCNA in English 1044 GMT 10 Jul 79 SK]

MALAGASY AMBASSADOR--Pyongyang July 7--Ambassador Rakotofiringa Crescent Sohoery and staff members of the Malagasy Embassy in Pyongyang, on July 6 went to the Korean-Malagasy friendship Tongsa Cooperative Farm and helped its members in farming. After the work the guests and farmers sang and danced in the open-air theatre, deepening the friendly sentiment. [Text] [Pyongyang KCNA in English 1000 GMT 7 Jul 79 SK]

grenadian DELEGATION--Pyongyang, July 8--The government delegation of Grenada headed by Selwyn Strachan, minister of communications, works and labour, left Pyongyang on July 7 by plane. During its stay in our country the delegation visited various places in Pyongyang and local areas. [Excerpt] [Pyongyang KCNA in English 0842 GMT 8 Jul 79 OM]

NEW CUBAN AMBASSADOR--Pyongyang July 7 (KCNA)--Wilfredo Rodriguez Cardenas, newly-appointed ambassador extraordinary and plenipotentiary of the Republic of Cuba to our country, arrived in Pyongyang by plane on July 6. [Text] [Pyongyang KCNA in English 0341 GMT 7 Jul 79 SK]

HUNGARIAN ENVOY--Pyongyang July 7 (KCNA)--Vice-Premier and Foreign Minister Ho Tam on July 6 met and had a friendly conversation with Szabo Ferenc, ambassador of the Hungarian People's Republic to our country, who paid him a farewell call prior to his return home at the recall of his home government. Vice-Premier and Foreign Minister Ho Tam arranged a luncheon in honour of the ambassador. [Text] [Pyongyang KCNA in English 0336 GMT 7 Jul 79 SK]

Pyongyang July 8 (KCNA)--Comrade Kim Yong-nan on July 7 met and had a friendly talk with Ferenc Szabo, ambassador of the Hungarian People's Republic to our country, when the latter paid him a farewell call. [Text] [Pyongyang KCNA in English 0900 GMT 8 Jul 79 OW]

SUDANESE PEOPLE'S ASSEMBLY DELEGATION--Pyongyang July 11 (KCNA)--A delegation of the People's Assembly of the Democratic Republic of the Sudan headed by Abdel Hameed Salleh [name as received], controller of the People's Assembly, arrived in Pyongyang yesterday by plane. A portrait of the great leader of our people Comrade Kim Il-song and a portrait of His Excellency Ja'far Muhammad Numayri, president of the Democratic Republic of the Sudan, were set up at the airport. The delegation was warmly met at the airport by a large number of working people in the city. Personages concerned Kim Il-tae, Kil Chae-kyong and Om Tok-hwan were also present at the airport. [Text] [Pyongyang KCNA in English 0344 GMT 11 Jul 79 SK]

DPRK MISSIONS ABROAD--Pyongyang July (KCNA)--Press conferences were held recently at the embassies of our country in the Soviet Union, Yugoslavia, Poland and Cuba on the occasion of the month of anti-U.S. joint struggle, according to reports. Personages concerned and reporters of the host countries attended the press conferences. Korean ambassadors spoke there. The DPRK Embassy in Bulgaria hosted a film reception on June 27 to mark the occasion. [Text] [Pyongyang KCNA in English 1048 GMT 9 Jul 79 SK]

PRC AGRICULTURAL DELEGATION--Pyongyang July 8 (KCNA)--Vice-Premier Kong Chin-tae on July 7 met and had a friendly conversation with the members of a Chinese agricultural delegation headed by Li Yuqiu, vice-minister of agriculture. Present on the occasion were personage concerned Han Chang-man and Liu Yan, charge d'affaires ad interim of the Chinese Embassy in Pyongyang. The delegation arrived in Pyongyang on June 22. [Text] [Pyongyang KCNA in English 0857 GMT 8 Jul 79 OW]

PORtUGUESE CP GREETINGS--The Central Committee of the Portuguese Communist Party has sent the following greetings to the Central Committee of the Korean Workers' Party on the anti-U.S. joint struggle month. Pyongyang. To the Central Committee of the Korean Workers' Party: Dear Comrades, The Central Committee of the Portuguese Communist Party extends international solidarity with the Central Committee of the Korean Workers' Party and with all the Korean people, including Korean communists, on the 26 June-26 July anti-U.S. joint struggle month. It also expresses active support for the Korean people's struggle to oppose imperialism, to force U.S. forces to withdraw from the Korean territory and to reunify the fatherland. [signed] The Central Committee of the Portuguese Communist Party--Lisbon, 25 June 1979. [Text] [Pyongyang Domestic Service in Korean 2100 GMT 30 Jun 79 SK]

N. KOREA/FOREIGN TRADE

JAPAN PAYS EXPORT INSURANCE ON DPRK DEBTS

Seoul HAPTONG in English 0826 GMT 11 Jul 79 SK

[Text] Tokyo, July 10 (HAPTONG)--The Japanese Government has recently paid about 2.5 billion yen in export insurance to Yushin Shoji and other Japanese traders suffering from a delay in North Korea's settlements of trade debts to Japan, it was reported here today.

The payments were made unofficially at the request of the Ministry of International Trade and Industry (MITI) for the adoption of export insurance against North Korea's unpaid import bills totaling some 80 million yen, the report said.

Although the payments of export insurance virtually mean that North Korea was regarded as a bankrupt country by the Japanese side, the ministry claimed that export insurance payments were a special relief measure for individual firms. The ministry seems to have made the unconvincing explanation out of its fear that the public announcement of export insurance payments might worsen relations between Japan and North Korea.

A seven-man North Korean trade mission, led by Secretary Pak Se-chan of the International Trade Promotion Council of North Korea, is to arrive in Japan Wednesday for a north-long [as printed] tour to tap the possibility of exporting anthracite coal, zinc and other minerals and fishery products to Japan, it was reported.

A group of officials from North Korea Trade Bank, led by Pang Ki-yong, is also scheduled to visit Japan July 20 to make final negotiations on the settlement of North Korea's trade debts to Japan.

If the final negotiations with the North Korean group gets nowhere, more Japanese trading firms which had exported plants and various goods to North Korea are expected to file with the MITI their applications for payments of export insurance.

CSO: 4120

N. KOREA/INTERNATIONAL COMMENTARY

'KCNA' REVIEWS SOVIET COMMENT ON CARTER VISIT

Pyongyang KCNA in English 1146 GMT 5 Jul 79 SK

[Text] Pyongyang July 5 (KCNA)--TASS July 3 carried a commentator's article headlined "Feigning Ignorance of Tyranny and Violence" denouncing U.S. President Carter's patronage of violation of human rights by the South Korean dictatorial "regime."

The news agency said:

When some U.S. commentators described U.S. President Carter's recent South Korean trip as "one of a very delicate mission," they apparently had in mind a sharp contradiction between the official U.S. call for "respect to human rights" and the shuddering reality of South Korea in this respect. It is a widely known fact that the Pak Chong-hui "regime" is a showcase of the most brutal suppression of human rights.

Tens of thousands of people opposed to the dictatorial "regime" are imprisoned without trial or preliminary examination, many legal opposition representatives are under house arrest. Before President Carter's arrival the South Korean authorities made a wholesale roundup, fearful of "undesirable" struggles during the visit of the "distinguished guest" from across the ocean.

Under such circumstances Carter visited South Korea. South Korean people who had some hope for the "relaxation" of Pak Chong-hui's tyranny with this visit as an occasion are now much disappointed.

The question of human rights which the present U.S. administration advertises loudly as the pillar of its policy was touched upon only briefly and formally in a cautious form on the part of the U.S. side at the talks held in Seoul. Pointing (?to this), "the NEW YORK TIMES said that the U.S. President not only avoided criticising the situation of human rights in South Korea in the past but also evaded directly calling for an improvement in this field.

Instead of the question of human rights, the military question was the main topic of the attendants at the "talks," the U.S. side expressed full support to the "security" measures in South Korea, in other words, the vicious militarisation policy of Pak Chong-hui. The United States promised to help

South Korea maintain full "military posture" in close cooperation with this "regime." This means that the U.S. troops would continue to remain in South Korea and keep introducing military equipment.

As everyone knows, the Pak Chong-hui "regime" is maintained only by weapons. The U.S. military aid to the dictator will encourage the dictator to suppress the most elementary freedom of the South Korean people. The U.S. role in the question of human rights in South Korea virtually resolves itself into this.

CSO: 4120

N. KOREA/INTERNATIONAL COMMENTARY

'KCNA' NOTES 'PRAVDA' COMMENT ON TOKYO SUMMIT

Pyongyang KCNA in English 1104 GMT 6 Jul 79 SK

[Text] Pyongyang July 6 (KCNA)--A recent issue of the Soviet paper PRAVDA commented on the results of the "Tokyo seven-nation summit meeting" held some time ago, according to a TASS report.

The paper said:

The Tokyo meeting of "the seven" once again showed that in the conditions of the general crisis of the world capitalist system, attempts by leading Western states to agree among themselves on main economic problems are no success.

The paper went on:

The "Tokyo declaration," adopted by the heads of state and government of the USA, Japan, the Federal Republic of Germany, France, Britain, Italy and Canada, just like the final documents of the four previous similar meetings are rich in good wishes and poor in concrete commitments.

"The seven participants in the meeting" are concretely stating that the problem of energy resources has now really become a stumbling block for the capitalist world, without solving it one cannot hope to revitalise the economies, to resolve unemployment, and curb inflation. All are recognizing that it is essential to economise oil and reduce its import.

But in so doing, each side wants that any restrictions affect itself as less as possible. Disputes over import quotas vividly manifested themselves in the declaration where different points of view are simply included in the text, for attempts to reduce them to a common denominator proved unsuccessful. In general each side promised to limit itself in a way which is of benefit only to itself.

CSO: 4120

N. KOREA/INTERNATIONAL COMMENTARY

'TASS' EXPOSES JAPAN'S ARMS BUILDUP

Pyongyang KCNA in English 1527 GMT 6 Jul 79 SK

[Text] Pyongyang July 6 (KCNA)--A TASS report from Tokyo exposed the Japanese manoeuvring of reinforcement of armed forces.

It said:

A quarter of a century ago--on July 1, 1954--the parliament of Japan adopted a law on the creation of armed forces which got as a camouflage the name of "self-defence forces." A law on the founding of a national defence agency and the joint chiefs of staff was adopted as well.

That act was done in breach of the current Japanese constitution, Article nine of which proclaims renunciation of war as a means to solve international disputes and of the creation of an army.

At present the Japanese armed forces are among the world's ten most powerful armies. By the extent of their provision with West types of armaments the "self-defence forces" by far surpass the imperial army defeated in the last war.

The armed forces of Japan number 180,000 officers and men in land troops, over 42,000 in the navy, and more than 45,000 in the air force.

During the realization of four five-year modernization programs the army has been fitted out with newest up-to-date armament. Annually the government assigns huge sums of money pumped from the pockets of taxpayers for the maintenance of the army,

Over 2,000,000 million yen is allocated for military purposes in the current fiscal year under the state budget. According to the plans of the Japanese generals, over 13,000,000 million yen is to be spent for the needs of the army, the air force and the navy in the coming five years.

The current consolidation of the "Japanese-U.S. military alliance," with South Korea's being connected, which is being effected on the mutual initiative of Washington and Tokyo, is of a particular danger to the peoples of Asia. Japan assumes new obligations in the military field and, upon signing at the end of last year the agreement on the basic principles of Japanese-U.S. cooperation in the field of defence, virtually transferred to the United States the right to boss the Japanese armed forces and the country's territory.

The broad masses of the Japanese people are demanding that the authorities end the policy of remilitarization, break off the "Japanese-U.S. security Treaty," and remove all U.S. military bases from Japanese territory.

CSO: 4120

N. KOREA/INTERNATIONAL COMMENTARY

'KCNA' SCORES JAPANESE POLICE'S ACT AGAINST CHONGNYON

Pyongyang KCNA in English 0909 GMT 8 Jul 79 OW

[Text] Tokyo July 6 (KNS-KCNA)—A grave fact that the Shimonoseki police authorities in Yamaguchi Prefecture, Japan, had committed an insidious espionage against the General Association of Korean Resident in Japan (Chongnyon) was brought to light recently.

It has been uncovered that detectives of the foreign affairs section of the Shimonoseki police station set up a base on the opposite side of the building of the Yamaguchi Credit Association of the Korean Bank across the road three years ago and committed the heinous espionage acts of watching the door of the credit association and systematically photographing those entering through it.

The base of the espionage activities of the Shimonoseki police authorities against Chongnyon and the Yamaguchi Credit Association of the Korean Bank was on the second floor of the "Towa Electric Industrial Company."

This fact was discovered by a Japanese lawyer when he went to the company to take over the business as the company had gone down recently.

Such acts of the Shimonoski police authorities whipped into fury all the Koreans and Japanese people of broad strata there.

On June 28, the vice-chairman of the Yamaguchi Prefectural Headquarters of Chongnyon, the vice-director of the Yamaguchi Credit Association of the Korean Bank, the chairman of the Shimonoseki branch of Chongnyon and other functionaries, together with political and public figures of Japan, called at the police authorities and lodged a stern protest with them and strongly demanded them to punish the criminals and see that no more such crime is committed.

CSO: 4120

N. KOREA/BIOGRAPHICS

JOURNAL LISTS NORTH KOREA'S SECOND-LEVEL CADRES

Tokyo KITA CHOSEN MONDAI in Japanese No 25, 30 Apr 79 pp 25-35

[Article: "List of Mainstay Cadres"]

[Text] The leadership level of the North Korean central organization is composed of Kim Il-song and 39 others. Those that constitute the second level which follows immediately after the above leadership class are listed below.

The list is made on the following bases:

1. Sources: KCNA, NODONG SINMUN, RENMIN RIBAO.
2. The 151 names in the list are persons who have appeared in the above sources from last year to March of this year.
3. The 48 names with asterisks are of men whose activities have been particularly noticeable.
4. Among the 151 names, 33 have not been confirmed, hence their exact positions are not indicated here. There are some errors in phonetic spelling of names, mostly in the case of new personalities.
5. A breakdown of the positions of the 151 is as follows: administration 72, people's committees 7, political party 18, people's army 13, science 4, information 8, and mass organization 29.

LIST OF ESSENTIAL CADRES

<u>Name</u>	<u>Main Occupation</u>
An Chae-ung	Administration cadre
An Tong-yun	Party cadre
Wang Kyōng-hak	Vice-Chairman, Administrative Committee, Pyongyang City; cadre General Bureau of Overseas Compatriot Affairs
Kwak Tae-hong	Dean, Engineering Department, Kim Ch'aeck Technical College
Han Yong-ok	Major General; Deputy Director, KPA General Political Bureau
Han Ki-hwan	Administration cadre
Han Kwang-hak	Cadre, Central Broadcasting Committee
Han Hong-sop	Vice-Minister, Ministry of Public Health
Han Si-hae	Vice-Minister, Ministry of Foreign Affairs; representative, Observer Mission to UN
Han Su-kil	Vice-Minister, Ministry of Foreign Trade
Han Ch'ang-ku	Cadre, Ministry of External Economic Affairs
Han Sang-kyu	Chairman, North Hwanghae Province, People's Committee
Han Chu-kyōng	Major General; chief representative, Korean-Chinese Side, Military Armistice Commission
Han Pyong-hwa	Cadre, General Bureau of Overseas Compatriot Affairs
Han Ik-su	Cadre, Committee for Solidarity with World Peoples
Kil Chae-kyōng	Vice-Minister of Foreign Affairs
Ho Kyōng	Vice-Minister of Foreign Trade
Ho Sun	Minister of Light Industry
Ho Chōng-suk	Vice-Chairman, SPA Standing Committee
Ho Paek-san	Vice-Minister of Culture and Art
Kang Hyōn-su	Chairman, South Pyongan Province People's Committee
O Kang Chung-han	Chairman, Pyongyang City Administration Committee
Kang Cho-han	Administration cadre

Kang Ch'om-ku	Cadre, Fisheries Committee, formerly Minister of Fisheries
Kim Yong-chae	Minister of Communications
Kim Yong-sam	Administration cadre
O Kim Yong-sun	Vice-Chairman, World Peoples Solidarity Committee; Vice-Chairman, Democratic Lawyers Association
O Kim Il-tae	Chairman, Education Committee
Kim Un-suk	Member, Inspection Committee of Party Central Committee
Kim Ung-to	Major General; Director, KPA Propaganda Department
O Kim Kwan-sop	Chairman, Association for Foreign Cultural Relations; Chairman, Korea-China Friendship Society
Kim Ki-nam	Chairman, Journalists Union; Chief Editor of NODONG SINMUN
O Kim Kil-hyon	Deputy Director, International Affairs Department of the Party
Kim Hyong-san	Member, SPA Budget Committee
Kim Hyöng-chöng	Cadre, local people's committee
O Kim Kyöng-yon	Minister of Finance
O Kim Hyöng-yul	Vice-Minister of Foreign Affairs
Kim Kwang-chin	Lieutenant General; Commander, People's Army Artillery
O Kim Si-hak	Chairman, Central Broadcasting Committee
O Kim Sok-chin	Vice-Minister of Foreign Trade
[Kim Sok-chun]	Vice-Chairman of Democratic Party
Kim Ch'ang-kuk	Deputy Director, Civil Aviation Bureau
Kim Ch'ang-yon [-nyon]	Vice-Chairman, Students Committee; Vice-Chairman, League of Socialist Working Youth
Kim Chong-song	Formerly Minister of Third Machine Industry
Kim Song-kol	Director, KCNA
Kim Söng-ho	Vice-Chairman, Fisheries Committee
Kim Chöng-hwan	Chief Editor, PYONGYANG SINMUN
Kim Chöng-pöm	Administration cadre

Kim In-son	Deputy Director, General Bureau of Overseas Compatriot Affairs
Kim In-ch'ol	Administration cadre
Kim Tal-hyon	Deputy Director, Academy of Sciences
Kim Ch'ung-il	Vice-Minister, Ministry of Foreign Affairs
Kim Ch'ol-min	Vice-Chairman, Chondo Religion Party
Kim Tuk-chun	Chairman, Table-Tennis Association
Kim Pu-kil	Mass organization cadre
Kim Pyong-ik	Administration cadre
O Kim Pong-chu	Chairman, General Federation of Trade Unions
Kim Pong-yul	Colonel General; Vice-Minister People's Armed Forces
Kim Yu-kon	Vice-Minister of Chemical Industry
Kim Yu-sun	Chairman, Sports Guidance Committee; Chairman, Olympic Committee
O Kim U-chong	Vice-Chairman, Association for Foreign Cultural Relations
Kim Yo-ung	Director, Civil Aviation Bureau
Kim Yang-son	Deputy Director, KCNA
Kim Yi-chun	Chairman, Chagang Province Administration Committee
Kim Yong-un	Administration cadre
Kim Yong-yon	Vice-Minister of Foreign Affairs[sic]; Ambassador to Upper Volta
Ku Il-son	Deputy Director, KCNA
Hyon Chun-kuk	Deputy Director, Party Central Committee International Department
Won Ch'ol-kap	Mass organization cadre
Kwon Hui-kyong	Former ambassador to USSR
Kye Hyong-sun	Minister of First Machine Industry
O Kyu-t'ae	Information cadre
O Kuk-yol	Lieutenant General, KPA
O Mun-han	Vice-Chairman, Korea-Soviet Russia Friendship Association
Hwang Ch'ol-san	Lieutenant General; Deputy Chief of the General Staff

Hong Il-ch'on	Party cadre
Hong Ki-mun	Vice-Chairman, SPA Standing Committee
Hong Hui-ch'ong	Administration cadre
Ko Song-il	Party cadre
Ch'oe Yong-hwa	Vice-Chairman, Writers' Alliance
Ch'oe Yong-hwan	Cadre, General Federation of Trade Unions
Ch'oe Won-ik	Minister of Public Security
Ch'oe Chung-sam	Vice-Chairman, Education and Cultural Workers' Union; Deputy Director, Academy of Social Sciences
Ch'oe Chong-kon	Minister of Foreign Trade
Cho'oe Yu-wang	Vice-Minister of Public Health
Ch'oe Chun-pyong	Deputy Director of a department, Party Central Committee; Vice-Chairman, Journalists Union
Ch'oe Mun-son	Chairman, North Hwanghae Province People's Committee
Ch'ae Hui-yol	Mass organization cadre
Ch'ae Hui-chong	Minister of Labor Administration
Chu Chae-yul	Bureau Director, Ministry of Culture and Art
Chu Ch'ang-chun	Red Cross cadre; Vice-Chairman, Nationwide People's Committee for Support of Peace
Chu Sung-sop	Director, Organic Chemistry Institute, Academy of Sciences
Chu Hwa-chong	Chairman, State Scientific and Technical Committee
So Yun-sok	Responsible Secretary, Pyongyang Municipal Party Committee
So Tong-pom	Administration cadre
Sin Ki-ch'on	Vice-Minister of Higher Education
Chi Chae-yong	Chairman, League of Socialist Working Youth
Chi Ch'ang-ik	Vice-President, Kim Il-song University; Chairman, Korea-Soviet Russia Friendship Association
Chang Yun-p'il	Chairman, Agricultural Workers Union
Chang In-sok	Responsible Secretary, Kaesong Municipal Party Committee
Chang Se-kuk	Vice-Chairman, World Peoples Solidarity Committee

Chang Ch'ol	Vice-Minister of Culture and Art
Cho Yong-kuk	Party cadre
Cho Song-il	Vice-Chairman, General Federation of Trade Unions
Cho Myong-son	Lieutenant General; Deputy Chief of the General Staff
Cho Myong-nok	Lieutenant General; Air Force Commander
Cho Yong-ch'ul	Vice-Chairman, General Federation of Literary and Art Unions
Chong Ha-ch'on	Deputy Editor, NODONG SINMUN
Chong Song-nam	Vice-Minister of External Economic Affairs
Chong Nam-ho	Ambassador to Tanzania, Seychelles and Mauritius
Chong Myong-kap	Vice-Chairman, State Planning Committee
Chong Yong-t'aek	Chairman, Agricultural Committee
Chon In-ch'ol	Vice-Minister of Foreign Affairs
Paek Hak-nim	Lieutenant General; Vice Minister of People's Armed Forces
Paek Ch'ang-won	Party cadre
Mun Pyong-nok	Vice-Chairman, General Federation of Trade Unions
Pang Ki-yong	President, Foreign Trade Bank
Pang T'ae-yul	Vice-Minister of Foreign Trade
Pang Ch'ol-kap	Navy Commander
Pak Yong-si	Chief Secretary, Korean National Peace Committee
Pak Chung-kuk	Lieutenant General; Vice-Minister of People's Armed Forces
Pak Chae-u	Cadre, Journalists Union
Pak In-kap	Cadre, Sariwon Municipal People's Committee
Pak Ch'ol-kon	Vice-Chairman, Democratic Party
Pak Myong-pin	Minister of Public Health
Yi Yong-ch'ang	Vice-Minister of External Economic Affairs
Yi Ung-sop	Mass organization cadre
Yi Kil-song	Responsible Secretary, South Hamgyong Provincial Party Committee
Yi Hy'ong-ch'om	Party cadre

Yi Ho-nam	Deputy Department Director, Party Central Committee; Vice-Chairman, Committee for the Protection of Overseas Compatriots
Yi Hu-kyom	Vice-Minister of External Economic Affairs
Yi Kong-su	Administration cadre
Yi Ch'ang-son	Minister of Culture and Art
Yi Chong-mok	Vice-Minister of Foreign Affairs
Yi Chong-yul	Vice-Minister of Public Health
Yi Chun-sik	Administration cadre
Yi Song-hui	Vice-Minister of Foreign Affairs
Yi Song-nok	Vice-Minister of Foreign Trade
Yi Chin-su	Lieutenant General; Director, Central Procurator's Office
Yi Tu-ch'an	Lieutenant General; President, Kim Il-song Military University
Yi Nam-kyu	Deputy Director, KCNA
Yi P'il-song	Lieutenant General; Director, General Bureau for People's Army Reserve
Yi Pong-hui	Mass organization cadre
Yi Pong-won	Formerly Chairman, South Hwanghae Provincial People's Committee
Yi Pyong-ch'an	Chairman, Pyongyang City General Federation of Trade Unions
Yi Myong-su	Deputy Department Director, Party Central Committee
Yi Myon-sang	Chairman, Musicians Union
Yi Yong-un	Cadre, Ministry of Public Health
Yi Hwa-son	Vice-Chairman, Students Committee
Yu Kum-son	Minister of Common Education
Yu Pyong-yong	Cadre, South Pyongan Provincial People's Committee
Yim Su-man	Chairman, Yanggang Provincial People's Committee
Yim Hyong-ku	Department Director, Party Central Committee

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